

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, JULY 17, 1931

CHILDREN

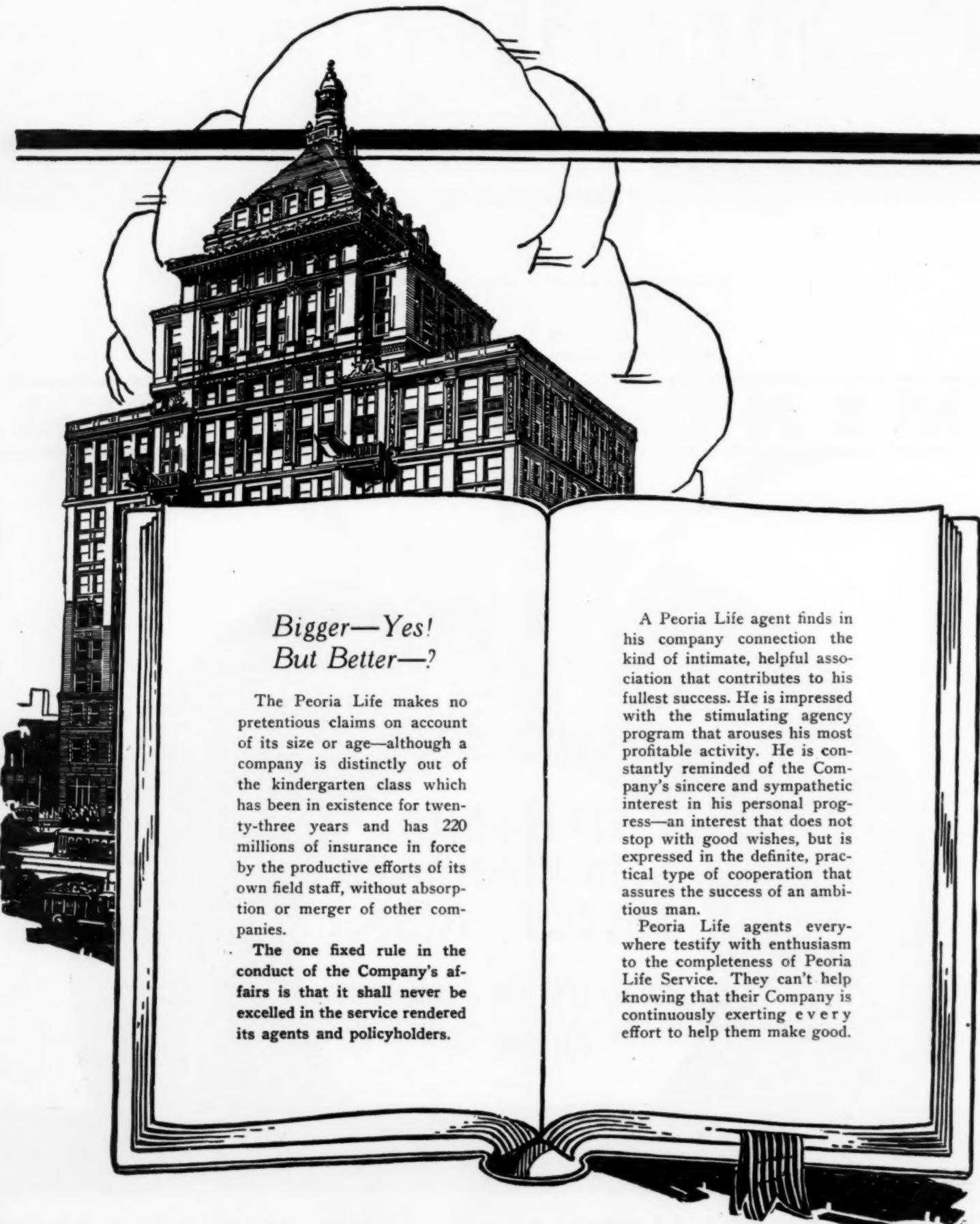
MEN

WOMEN

**STANDARD,
SUB-STANDARD,
SELECT RISK,**

*All in the life insurance
range of-*

**THE LINCOLN NATIONAL LIFE INSURANCE
COMPANY. FORT WAYNE, INDIANA.**



Bigger—Yes! But Better—?

The Peoria Life makes no pretentious claims on account of its size or age—although a company is distinctly out of the kindergarten class which has been in existence for twenty-three years and has 220 millions of insurance in force by the productive efforts of its own field staff, without absorption or merger of other companies.

The one fixed rule in the conduct of the Company's affairs is that it shall never be excelled in the service rendered its agents and policyholders.

A Peoria Life agent finds in his company connection the kind of intimate, helpful association that contributes to his fullest success. He is impressed with the stimulating agency program that arouses his most profitable activity. He is constantly reminded of the Company's sincere and sympathetic interest in his personal progress—an interest that does not stop with good wishes, but is expressed in the definite, practical type of cooperation that assures the success of an ambitious man.

Peoria Life agents everywhere testify with enthusiasm to the completeness of Peoria Life Service. They can't help knowing that their Company is continuously exerting every effort to help them make good.

Peoria Life Insurance Company

PEORIA, ILLINOIS

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The National Underwriter

LIFE INSURANCE EDITION

Thirty-Fifth Year No. 29

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 17, 1931

\$3.00 Per Year, 15 Cents a Copy

Sights Trained on Life Insurance

Advertising Agencies Are Urging Companies to Get in Band Wagon

VIEWS OF ENGELSMAN

Well Known New York City Life Underwriter Comments on Desirability of Movement

NEW YORK, July 16.—The big guns of the advertising business have trained their sights on the life companies. Like good life insurance salesmen, the advertising men are concentrating their efforts on fields which have been the least hit by the depression and life company home office executives are already being vigorously urged to go into a campaign of national advertising to reach the individual buyer. Elaborate statistics, charts and territorial analyses are pouring into the advertising departments of many companies and advertising managers say that a large number of these are prepared at considerable cost in the face of practically no encouragement.

Make Way for the Salesmen

In general, neither institutional nor cooperative advertising is being sought in the present effort of the advertising men. The usual plan seems to be to have the company advertise to make the buyer not only conscious of the merits of that company but to establish the value and prestige of its particular policy forms with their special designations.

It has always been the contention of life insurance men that their commodity cannot be sold by advertising, at least without the aid of considerable supplementary pressure on the part of a salesman. Advertising experts are ready to agree on this, however, and the primary purpose of the proposed advertising campaigns would be to make the way of the salesmen easier. It is contended that it would eliminate a large amount of the waste effort that is unavoidable under the present system.

R. G. Engelsman's Views

The reaction of the field forces might be supposed to be unanimously in favor of such national advertising, but there are some agents who feel that if advertising is too successful the companies may spend for advertising some of the money they now pay in commissions.

It is conceivable that even if this should be the case it would give the field a better break than now. R. G. Engelsman, general agent here of the Penn Mutual Life and chairman of the advertising committee of the New York City Life Underwriters Association, believes that most agents would be very willing to take a cut of 50 cents a thousand of paid-for business if the money were to be used for national advertising.

It might be argued that if advertising

Life Production Figures for First Six Months

NEW YORK, July 16.—Production of new life insurance for June and for the first six months of the year showed almost exactly the same percentage decline from the corresponding periods of last year. June was down 12.2 percent and the half year was 12.3 percent off, according to the figures of the Life Presidents' Association. Ordinary insurance June, 1930, was only about half the percentage decline of any month so far this year, the decrease being 7.3 percent. The ordinary figure for the half year was 15.4 percent below the first half of 1930. For June, the total new business of all classes written by the 44 member companies was \$1,005,142,000 against \$1,144,432,000 during June of 1930, a decrease of 12.2 percent. New ordinary insurance amounted to \$672,837,000 against \$725,725,000, a decrease of 7.3 percent. Industrial insurance amounted to \$250,658,000 against \$311,925,000, a decrease of 19.6 percent. Group insurance was \$81,641,000 against \$106,782,000, a decrease of 23.5 percent.

Figures for the Six Months

For the first half of the year, the total new business of these companies was \$838,627,000 this year against \$865,720,000 last year, decrease 12.3 percent. New ordinary insurance amounted to \$390,434,000 against \$469,775,000, decrease 15.4 percent. Industrial insur-

would do so much toward breaking down sales resistance a less skillful life underwriter would be required than at present. However, it seems more likely that paving the way by advertising would favor the increase of the more professional type of life underwriter.

Many buyers of life insurance find their greatest objection to the business in the fact that they are too frequently asked to deal with the high pressure artist whose main claim to fame is that he can get his foot in the door and talk the prospect into signing on the dotted line before the prospect knows what it is all about, or, for that matter, what any of it is about.

Dislike Gate Crashing Strategy

There are undoubtedly many men who could be extremely competent life insurance advisers but they dislike the gate-crashing strategy frequently required of even very successful agents. Advertising men contend that it would be a good thing for the life insurance business if advertising were used to bring about a condition in which life underwriters can be more concerned with taking intelligent and adequate care of their clients' insurance interests and less with having to think up dodges for getting the prospect's ear.

On this point Mr. Engelsman says: "It would not only be favorable to the increase of the more professional type of underwriter, it would force such a condition. A company couldn't afford to have anyone but a trained and competent agent following up such a campaign."

Should Stress Agent's Qualifications

Mr. Engelsman believes that advertising to the public should stress the qualifications of the company's agent rather than try to promote any type of contract, along the lines used by the Davey

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Asks Sale Only of Premium Waiver

Pending Disability Solution, Large Company Requests Cessation of Income Feature

IN MESSAGE TO AGENTS

Sees Little Virtue in Drastic Restrictions or in Stricter Underwriting

One of the large companies of the country has sent to its agents a bulletin, urging that the waiver of premium benefit be written in preference to the income disability feature wherever possible. This request is made of the agents pending the determination of a practical solution of the disability problem.

The company frankly states to its managers and general agents that it cannot continue writing disability on the present basis and that restrictions which have been proposed would not provide a satisfactory solution. The bulletin follows:

Some Action Necessary

"The insuring of annuity disability benefits has proved so serious a source of loss to most of the larger companies writing this benefit that some action must be taken to prevent so far as possible further and possibly larger losses. Little can be done so far as outstanding insurance is concerned, but the danger of loss from future business can be controlled.

"The waiver-only clause does not present the same difficulty.

"Conferences of actuaries representing the leading companies have recently been held in an effort to agree upon a solution of the problem, in which there was unanimous agreement only on the proposition that some radical action must be taken.

"Each company must decide whether it will wait for and act in accordance with concerted action by the companies generally, or, acting independently, take such steps as the general situation and its particular experience seem to warrant.

Important Considerations

"These are some of the considerations that must be kept in mind:

"(1) Even the present increased premium rates are inadequate to provide the necessary reserves for the payment of incurred claims. This is because the experienced rate of disability is higher than was assumed in calculating premiums.

"(2) Reserves for the payment of incurred disability claims are inadequate. This is because disabled persons live longer than it was assumed they would, as causes of disability are now recognized that were not considered in compiling the disability tables on which

(CONTINUED ON PAGE 19)

Back Up Railroads' Appeal for Increase in Freight Rates

ACTION BY LIFE COMPANIES

Emergency Committee on Railroad Investments Urges Interstate Commerce Commission to Act

NEW YORK, July 16.—The emergency committee on railroad investments of life companies and mutual savings banks, of which President E. D. Duffield of the Prudential is chairman, has filed its petition supporting the application of the railroads to the Interstate Commerce Commission for authority to increase their freight rates by 15 percent. The security holders' committee on the railroad emergency, made up of large investors companies, also filed its petition. Hearings were scheduled to begin July 15. The petition of the life companies and savings banks say the result "would so seriously affect the public interest that the institutions represented by the committee deem it incumbent on them to present the situation fully and frankly to this commission."

Effect Will Be Disastrous

Both petitions point out the radical impairment in the margin of safety of interest on railroad bonds in the past year and a half. The life companies petition also states that unless there is a radical improvement in earnings in the last eight months of the year, 20 of the 67 largest railroads in the country will not earn their fixed charges in 1931, and 22 will earn them less than one and a half times. It declares that on account of this decline in the margin of safety on railroad bonds, the bonds of 21 of the 35 roads now legal for investment in New York may be stricken from the legal list. Many of the bonds so stricken will no longer meet the investment standards of life companies.

Been Sharp Depreciation

Since Oct. 1, 1930 there has been a depreciation of nearly \$700,000,000 in the market value of railroad bonds on the New York Stock Exchange. The bulk of this depreciation has occurred in the overlying bonds which, as a practical matter, must constitute the main resource available to the railroads in meeting more than \$1,300,000,000 of maturities with which they will be faced in the period 1931-1935.

The committee also states that "in view of these conditions, your petitioners deem it necessary to inform this commission, as a factor affecting the public interest, that, unless and until these conditions are corrected so as to improve the element of safety in railroad securities, they may not feel justified, in view of their obligations to their depositors or policyholders, in making further investments in railroad bonds, except in those cases where the fixed charges of the particular road are amply earned."

The petition of the life companies and savings banks is signed by five representatives of each group. Those signing for the life companies are E. D. Duffield, president, Prudential, chairman of the committee; F. H. Ecker, president, Metropolitan Life; D. F. Houston, president, Mutual Life of New York; J. L. Loomis, president, Connecticut Mutual Life; and G. W. Smith, president, New England Mutual Life. Grenville Clark, of the law firm of Root, Clark, Buckner and Ballantine, represents the committee.

Federal Life Reduces Capital

The Federal Life of Chicago stockholders have voted to reduce the capital from \$750,000 to \$350,000, transferring \$400,000 to surplus. The Federal Life has \$13,586,988 assets. Its life insurance in force is \$145,000,000.

Cooperation of Life Men Urged

Next week the Life Payments Localized Number will be sent to all subscribers of The National Underwriter along with the regular edition. Not only is the Life Payments Number extremely valuable as a visual sales book in selling, but it also serves to give life insurance widespread publicity. Advance copies of the number are sent to several thousand newspapers throughout the country and most of them will carry stories about the contents of the Life Payments Number in their issues of July 24th. The National Underwriter will appreciate receiving clippings of these stories from its subscribers in order that a check-up can be made on the results.

PASADENA PLACES THIRD IN BENEFITS

Insurance Companies Pay \$2,962,000 in Year

Pasadena ranks third among cities of California in the amount of life insurance benefits and claims. The estate of Joseph W. Walt, Pasadena, received \$90,000. These facts were revealed in the life insurance edition of the National Underwriter for August 1 furnished The Star-News by Joe T. Marshall, local insurance man.

Nationally, the total of death claims, matured endowments, and disability claims and ad-

writer suggests that each subscriber make it a point to take his copy of the Life Payments Number to the editors of his local newspapers and point out the great news value of the material.

Last year a similar suggestion was made and Joe T. Marshall, Massachusetts Mutual Life district manager at Pasadena, Cal., showed his Life Payments Number to the editor of the Pasadena "Star News." Not only did the editor give a good write-up on the life insurance payments, but he also mentioned Mr. Marshall's name, which was extremely valuable publicity.

Life insurance payments showed an astonishingly large increase last year while all other industries were slipping back. Thus the Life Payments Number material is "front page stuff," and every life insurance man should see that it gets there. When the public sees that life insurance companies are paying large sums annually to their policyholders and beneficiaries despite depressions, it will mean that every life insurance man will find it easier to sell more business. Thus, for selfish reasons alone, every life underwriter should cooperate in getting publicity on the life insurance payments of 1930.

Goldman-Sachs Sells Coast Insurance Company Holdings

The Goldman-Sachs Trading Corporation and its affiliate, the Pacific American Company, have disposed of their interest totaling about \$2,000,000 in the Pacific Finance Corporation, Pacific Mutual Life, Pacific American Fire and Pacific Indemnity. A group connected with the Pacific Mutual's fleet of companies acquired the Goldman-Sachs interest in these California institutions.

Goldman-Sachs is apparently disposing of its insurance holdings on a widespread scale. Recently Goldman-Sachs released its interest in the Western States Life to the California State Life, which absorbed the Western States.

There is a report that the portfolio of Goldman-Sachs is now cleared of insurance stocks altogether.

Becomes Securities Head

R. D. Slagle, secretary of the Continental National Life of Denver, has taken charge of the securities department and will discontinue his activities in the underwriting division. In the latter he will be succeeded by Paul Fellay, who has been with the company three years.

Vincent B. Coffin Joins Connecticut Mutual Life

RETIREES FROM PENN MUTUAL

Well Known Educator to Be Agency Superintendent in Hartford Company—Starts Sept. 1

Vincent B. Coffin, educational director of the Penn Mutual, has joined the Connecticut Mutual as superintendent of agencies to fill the vacancy created by the advancement of H. M. Holderman to vice-president in charge of agencies.

Mr. Coffin started in the business with the Provident Mutual at Ithaca, N. Y. He later became assistant general agent for the Provident Mutual at Albany and then from 1926 to 1928 served as director of the life insurance training course at New York University. His next connection was with the Penn Mutual as director of education. Mr. Coffin's grandfather, O. Vincent Coffin, was for many years president of the Middlesex Fire of Middletown and served as governor of Connecticut for a term. His father was connected with the Connecticut Mutual as traveling supervisor.

Mr. Coffin has been chairman of the sales training division of the American Management Association and chairman of the sales training division of the Life Insurance Sales Research Bureau. In his earlier years he was vice-president of the Utica Life Underwriters Association; secretary of the New York association; member of the program committee for the National association and assistant to the National president for New York state.

Liberty National's New Home

BIRMINGHAM, ALA., July 16.—The Liberty National Life of this city has purchased the Pioneer building at Third avenue south in 20th street and will move to the building Oct. 1, occupying it as a home office. The announcement is made by President R. P. Davison. The company will be able to rent part of the building as it will not occupy the entire structure. The Liberty National Life is one of the successful companies of the south, having \$40,000,000 of insurance in force. President Davison and Secretary F. P. Samford are formerly connected with the Alabama insurance department.

Figures for First Six Months

	New Paid Business	Inc. or Dec.
	1931	1930
	In Insur.	In Force
	1931	1930
American Life, Colo.	\$ 2,737,208	\$ 3,143,427
Atlas Life, Okla.	3,914,584	3,464,581
Bankers Natl. Life	17,793,408	17,294,142
Berkshire Life	14,159,865	16,838,922
Cambria Life	51,437,702	57,866,827
Columbian Mutual Life	1,900,000	2,500,000
Connecticut General Life	92,310,370*	7,148,989
Conn. Mutual Life	54,303,414	70,049,949
Conservative Life	4,622,000	—
Eureka-Maryland	12,367,108	11,649,928
Farmers & Bankers Life	4,340,853	4,658,433
Fidelity Mutual Life	21,626,853	27,762,822
Franklin Life	15,218,523	17,264,028
Great-West Life	24,505,438	25,137,004
Guaranteed Securities Life	1,571,000	1,514,189
Imperial Life	19,576,946	15,930,569
John Hancock (Ord.)	147,770,726	159,237,435
John Hancock (Ind.)	159,528,293	156,638,061
John Hancock (Gr.)	32,526,515	26,268,701
Massachusetts Mutual Life	131,263,454	157,526,467
Midland Mutual Life	7,625,000	8,094,000
Monarch Life, Mass.	2,575,910	2,311,200
Mutual Benefit Life	92,439,259	119,035,100
Mutual Trust Life	14,748,687	16,003,964
New York Life	350,171,300	388,079,800
North American, Can.	12,281,124	10,752,377
Ohio National Life	24,230,325	16,004,778
Sentinel Life	1,954,909	3,752,159
Southern Aid Soc.	1,152,640	1,760,990
Union Mutual Life, Me.	2,816,335	2,966,863
United Life, Kan.	1,036,750	1,351,800
Victory Life, Ill.	2,429,955	2,815,633
Wisconsin State Life Fund	64,500	49,500

*Include group insurance.

Security Life Gets Commission's O.K.

Decision of Virginia Corporation Body Constitutes Sweeping Victory for Chicago Company

TRIBUTE TO MANAGEMENT

Commission Approves Valuations Put on Inter-Southern and Northern States Stock by Company's Witnesses

RICHMOND, VA., July 16.—A decision was rendered here by the Virginia corporation commission, overruling the contentions of the Virginia insurance department, and approving the values placed by the Security Life of Chicago on the stock of its affiliated companies, the Inter-Southern Life and the Northern States Life. The commission's findings were to the effect that the Security's financial status was not only sound but revealed an even stronger degree of safety than had been claimed by its officials. Although the Security Life maintains its executive offices in Chicago, it operates under a Virginia charter and for that reason the hearing was held here. The decision is regarded as an outstanding victory for the Security Life officials whose success in acquiring the Caldwell group of companies resulted in much publicity, which in time brought about the department examination of several of their companies.

History of Case

On the basis of a report prepared by W. M. Corcoran, actuary of S. H. & Lee J. Wolfe of New York, in behalf of the insurance division of the corporation commission of Virginia, the Security Life had been called for questioning regarding its financial structure and that of its two subsidiaries, the Inter-Southern Life of Louisville and the Northern States Life of Hammond, Ind. The initial hearing was held in Richmond, April 3-4, before a committee of commissioners representing Michigan, Illinois, Kentucky, Tennessee and Virginia. A decision was reached to have an actuarial report, which was submitted at that meeting, revised and submitted at a later date. The revised report was submitted at a meeting of commissioners at Chicago in June and delivered to Commissioner Bowles of the Virginia department, who, in turn, delivered it to the corporation commission of Virginia for review.

Comment by Commission

In its order declaring Security Life to be in a most favorable financial condition, the commission said: "It appears from the preponderance of evidence that the minimum value of Inter-Southern Life stock, on the basis of its capitalization as of Dec. 31, 1930, is approximately \$1.98 a share, and that upon the preponderance of evidence the minimum value of the Northern States Life stock is approximately \$80 a share, and that taking into consideration such apparent values, the capital and surplus of Security Life are not impaired, the state corporation commission is of the opinion that the report herein should not be approved in so far as it involves the allegation of insolvency or impairment of capital and surplus, and that this proceeding should, therefore, be dismissed, and to such end: It is ordered, that this proceeding be, and it hereby is dismissed from the docket of the state corporation commission, and

(CONTINUED ON PAGE 20)

New York General Agent in Defense of Brokers' Lines

The following communication is from a leading New York general agent: "I have just read the article in the issue of July 3, 'Agency View Is Given on Disability Provision.'

"The agent quoted expresses the wish that 25 of the more important companies would agree to eliminate brokerage business entirely and expresses the opinion that brokerage cases are the ones that create havoc.

"Some little time ago the Life Insurance Sales Research Bureau made a report to a number of companies and to certain general agencies, in regard to the persistency and general condition of brokerage as compared to the business of the full time agents, and I imagine that quite a few were surprised to find that four companies which made a practice of taking brokerage business reported that the persistency and death rate of this line of business was much in excess of the business of their full time staff.

"It just happens that the writer has made a practice of seeking good brokerage business for many years, and strange to relate, my office has shown the smallest lapse rate of any office of my company for many years past and my brokerage business has shown the best percentage of persistency.

"It is very easy to flippantly jump on brokerage business and call it all kinds of names and I presume that the last year or so, with business depression and the tendency to write low priced insurance that brokerage business may show a higher lapse rate than usual, but I imagine that many of the leading general agents and managers would be ready to state that their brokerage business was equal to and—I judge—better than the average in its persistency and death rate."

Two New Vice-Presidents for the Provident Mutual

PROMOTIONS ARE ANNOUNCED

E. W. Marshall and F. P. Todd Have Been Advanced Because of Very Effective Service

E. W. Marshall and F. P. Todd have been elected vice-presidents of the Provident Mutual Life. Mr. Marshall, who has been actuary since 1928, was born in Lamberton, N. J. in 1889. After attending the Haddonfield, N. J., high school and the University of Pennsylvania he entered the life business in 1911, serving as clerk in the Provident and Penn Mutual, and later as assistant actuary of the Fidelity Mutual. In 1920 he returned to the Provident as assistant actuary. He is treasurer of the Actuarial Society of America. He is very active in the work of the Society of Friends, serving as chairman of the committee on education of the Philadelphia Yearly Meeting. He is a director of the Haddonfield Historical Society and active in civic work.

Mr. Todd, who becomes vice-president while only in his thirty-fifth year, was born at Salisbury, Md. He is a graduate of Tome School, the University of Pennsylvania and the Temple Law School. While at Pennsylvania he was a member of the varsity baseball team.

He entered the Provident Mutual as a clerk in February 1921, and rose to become insurance supervisor in 1929.

R. L. Beatty and W. D. Holt, manager and assistant manager respectively of the record department, become assistant secretaries. A. J. Davis, vice-president, has dropped the title of general counsel and will be in charge of the company at such times as President Linton is absent. Mr. Davis was recently elected a director.

More Claims in Abnormal Times

Temptation Seen to Fall Back on Disability Payments During Depression

JOHN KING GIVES VIEWS

Fraud More Prevalent Where Living Standards Are Low—Many Shady Claims

NEW YORK, July 16.—Of the substantial increase in the number of disability claims since the fall of 1929 comparatively few can be laid to fraud, but a large part of them would certainly not occur during normal business conditions, according to John J. King, president Hooper-Holmes Bureau. The Hooper-Holmes Bureau has been associated with the handling of disability claims ever since it was founded in 1899. W. DeM. Hooper was credited with doing more than anyone else toward bringing about the cooperation of companies writing accident and health insurance.

Men who were not overinsured in 1929 are likely to be considerably overinsured under present conditions. If their business happens to be on the rocks or nearly so such men may very well be bona fide disability claimants because of the physical and mental strain they have been under. A man who might in ordinary times feel the necessity of getting back to his business even before he was fully recovered, is now quite willing to follow the advice

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FOUR NEW YORK CANDIDATES ARE NAMED



T. M. RIEHLE



J. C. McNAMARA



L. G. SIMON

NEW YORK, July 16.—The executive committee of the New York City Life Underwriters Association has decided to endorse T. M. Riehle, J. C. McNamara, L. G. Simon, and G. A. Kederich as the New York association's choice for the presidency of the National Association of Life Underwriters, or for any other office to which the National association might designate.

Their names will be forwarded to Paul Clark of Boston, chairman of the advisory nominating committee by President C. D. Connell on behalf of

the local association.

All four of those recommended are well known. Messrs. McNamara, Simon and Kederich have served as presidents of the New York association and Mr. Riehle is chairman of the Million Dollar round table and the originator of the May "Call to Arms" campaign which received a countrywide response.

Mr. Riehle is associate manager here of the Equitable Life of New York and widely known as a personal producer. He has been chairman of the membership committee of the New York Asso-

ciation. Mr. Simon, who just finished his term as president of the New York association, is also nationally known as a personal producer and as an authority on business insurance, on which he has written a book. He is an agent of the Equitable Life of New York. Mr. McNamara is general agent here for the Guardian Life and chairman of the advertising committee of the National association. Mr. Kederich is manager in Brooklyn of the New York Life and is president of the New York State Association of Life Underwriters.

Kelloway Succeeds Spinney With State Mutual on Coast

SAN FRANCISCO, July 16.—E. A. Kelloway, who recently resigned as manager of Canada Life at San Francisco, has been appointed general agent for State Mutual Life in this city succeeding Wm. R. Spinney. Mr. Kelloway returned from Toronto July 10 where final arrangements were completed. He came to California in 1927, locating at Los Angeles with Roy Heartman, general agent for Union Central, and with whom he was associated in Iowa with the Equitable of New York. Prior to coming west he was unit manager of the latter company for six years, being located at Des Moines and Council Bluffs.

Advertising Idea of Family Income

The John Hancock Mutual Life, one of the life companies doing extensive

national advertising, is presenting the family income idea to the public through its August and September advertising in leading magazines.

The John Hancock offers this idea in a new form, a rider to be attached to any standard policy of \$5,000 or more.

This provides for income ranging from \$50 per month and up—which amounts to 12 percent income annually on the principal sum of the policy—the principal becoming payable to the estate of the beneficiary at the end of the income period.

President G. W. Smith's Views

A half page interview with G. W. Smith, president New England Mutual Life, appeared in the Boston "Sunday Advertiser", July 12. He talked on some of the problems of general interest affecting the business. He expressed himself as opposed to unemployment insurance as savoring of the dole and stated

that it is impossible to formulate rates on any recognized basis which would cover the hazard involved.

Hold Meeting in Quebec

Members of the field force of the Life Insurance Company of Virginia to the number of 50 or more were in Quebec this week attending the annual meeting of the company's \$100,000 Club. Home office officials attending were J. S. Davenport, Jr., and J. E. Woodward, vice-presidents; F. E. Hall, assistant vice-president; Powhatan Breeden, Jr., auditor ordinary department and secretary of the club; C. C. Fleming, publicity director.

Business Men's Convention

Twenty-eight salesmen for the Business Men's Assurance will attend the annual all-star convention which will be held Aug. 24-29 at various points

through Yellowstone Park. O. K. Johnson of Arkansas, W. G. Mitchell, C. F. Ramsey and R. E. Sanders of California, qualified not only for themselves but for their wives as well.

Albachten Succeeds Ford

E. W. Albachten has become general agent at Louisville for the Pacific Mutual, succeeding R. H. Ford, who remains with the agency as a personal producer. Mr. Albachten has for several years been manager of the home office agency of the Inter-Southern Life. He started with the Missouri State Life at Duluth and was general agent there for the Continental Life of St. Louis before joining the Inter-Southern.

The Gary, Ind., office of the **Western & Southern Life** has been placed in charge of Superintendent H. W. Staab, formerly of Greenville, O. V. McCoy of Norwood, O., has been appointed superintendent of the Cleveland South district.

The NEW JOHN HANCOCK PLAN for maintaining the FAMILY INCOME

ALWAYS the main purpose of the life insurance policy has been to protect dependents—usually wife and children. When the children reach the period of self-support, a part of the protection is not so necessary; but it is necessary *during the period of greatest dependency*.

Many insurance plans have been devised for taking care of children during such years, especially to provide means for completing their education, at least through high school; generally through college.

Recently the demand for a secured monthly income during this dependency period, in addition to the essential clean-up fund, has grown to an extent requiring special arrangements. To meet this demand and simplify the plan, the John Hancock Mutual Life Insurance Company offers its *Family Income Provision* attached to new and existing policies in the form of a rider.

Many investment and life insurance programs have been interrupted or changed by economic conditions; but individual and family responsibility is just as great, if not greater, than ever. Recognizing these facts, we offer this opportunity to have the effectiveness of existing insurance materially increased for the dependency period at moderate cost.



For those who may be interested in details, our pamphlet, "Income for the Family" will be furnished on application. Address John Hancock Inquiry Bureau, 197 Clarendon Street, Boston, Mass.

National, Vt., Men in Three Day Meet

President Howland Declares Opposition to Short Term Endowment

ENCROACHES ON BANKING

Nearly 300 Agency Leaders Hear Production, Legal, Investment, Inspirational Addresses at Bretton Woods

The biennial convention of the Leaders Club and \$100,000 Club of the National Life of Vermont was held at Bretton Woods, N. H., for three days. About 300 were in attendance, of whom 74 were agents' wives or daughters.

R. P. Burroughs of Manchester, N. H., as the company's leading agent, heads the Leaders Club, G. M. Mayer, Denver, with the second largest amount of paid business, is vice-president, and W. L. Meissel of New York City is secretary.

At the banquet J. A. Worsham, sales manager of an oil heater concern, was the principal speaker. In his address, "Low Pressure Selling," he emphasized the fact that sales are made by locating a man's wants and not his needs.

A telegram of welcome from Governor Winant of New Hampshire was read at the banquet by Vice-president John M. Thomas, toastmaster; and Senator G. H. Moses, a guest at a nearby hotel, attended the banquet and addressed the meeting informally.

Howland Discusses Disability

Second Vice-president Field, in charge of the meeting, introduced President Howland as the first speaker, during the business session. In speaking of disability insurance, Mr. Howland declared that the National's experience had been exceptionally favorable, but that the general experience of most companies to date indicates that the rates, even under the recently adopted form, are inadequate, and that it is safe to assume that additional and possibly radical safeguards against this coverage may be anticipated.

He drew attention to the fact that all

companies have recently been experiencing a more unfavorable mortality, principally because of accidental deaths, especially by automobile, suicides, and the increase in large risks, with the added moral and physical hazard which seems to be inseparable from such business.

He emphasized the fact that life insurance should not be permitted, through the wrinkle of short term endowments, to encroach upon banking, adding that he believed most of the state departments will before long bar such contracts.

Mr. Howland mentioned the National's conservative investment policy and spoke very highly of E. S. Brigham, who has succeeded the late H. M. Cutler as chairman of the finance committee of the company.

Investment Policy Told

A comprehensive paper on business insurance, to be published in pamphlet form, was then read by General Counsel Young; following which E. S. Brigham, chairman finance committee, addressed the convention on "Investing Life Insurance Funds."

"The policy of the National has been one of diversity," Mr. Brigham told his listeners. "The mortgage loan has been the favorite type of investment. Nearly 46 percent of our assets, or 6 percent more than the average for all life companies, are invested in such loans, secured by mortgages on farms and city residences, apartments, and small business properties. Eight percent are invested in public utilities; 17½ percent, or more than twice the average for all life companies, in municipal and government bonds; 1.4 percent in preferred stocks, and 19 percent in policy loans.

"The National," he added, "has not lost faith in farm mortgages. The farms of the nation provide homes for one-third of our people and produce the food and many raw materials which must be consumed daily in order that life may be sustained. All industries are subject to periods of depression but it is unthinkable that our best farms will ever be without substantial values."

L. P. Brigham, superintendent of agencies, stressed the necessity for conservation. "This may be accomplished," he said, "in large part by seeing to it, first, that the business is thoroughly sold; second, that in the initial sale, very little stress is laid upon the advantage of early withdrawal; and third, that every policyholder should be frequently visited and reminded of the value of his insurance."

Actuary H. H. Jackson analyzed the character of Ben Franklin as being suit-

(CONTINUED ON PAGE 21)

Provident Mutual Promotions



E. W. MARSHALL
Vice-President



F. P. TODD
Vice-President

An Advertising Age

»»

A number of insurance executives have yet to learn that they are living in an advertising age. Today every business that is big is an advertised business. Whether the business men of the country like it or not, the plain fact of the matter is that the business of the United States is on an advertising basis. Think of the outstanding successes in any field, such as Wrigley chewing gum, Frigidaire, Ford, Coco-Cola, Palmolive, Arrow Collars, Ivory Soap, Fisher Bodies, Lucky Strike Cigarettes, Fleischmann's Yeast, and a host of others, and you are thinking of advertised successes. Without advertising these names would not mean much. The mere fact that any product is good does not mean that it will sell. A public demand has to be created for it.

This is so true that a new product cannot even be sold to the retail merchant today unless it is very generously advertised. The retail merchant sees no object in pushing an unadvertised article when he can make the same profit by stocking up his shelves with something that is so strongly advertised that the public walks in and asks for it by name.

But, you might object, while this may all be true of soaps and collars and toothpastes, is it true of the insurance business? The answer is an emphatic yes. The company that is well known and that is well advertised, and that is as a result of its advertising, favorably thought of among insurance men, very naturally makes more progress and gets more preference than the unadvertised company.

What is there to know about a company that does not even tell anything about itself in the advertising pages of the insurance journals? No agent is going to go out of his way to find out something about a company that is not even willing to tell anything about itself. It is only natural then that the company that does tell something about itself, that keeps its name before insurance men, and in this way is well advertised among the only people that can do it very much good, progresses while the unadvertised company does not.

(Number 1 of a series devoted to the merits of National Underwriter advertising)

»»

The National Underwriter

The leading weekly insurance newspaper

E. J. WOHLGEMUTH
President



C. M. CARTWRIGHT
Managing Editor



New York Life Agents' compensation includes "Nylic," a monthly payment beginning after two years' service, based on previous production. This gives them a certain regular income increasing from time to time during the next 18 years, based upon the same annual production of new business. "Senior Nylics" have served a minimum of 20 years and are drawing an annuity, payable in monthly instalments, which will continue for life. Most of them are still active in writing new business, though they have the right to retire.

NEW YORK LIFE INSURANCE COMPANY
51 Madison Avenue, Madison Square
New York, N. Y.

Use of Banking Terms Is Forbidden by Van Schaick

SAYS PRACTICE DECEPTIVE

Objects to Word "Deposit" for Premium in Advertising, Selling Life Insurance

Commissioner Van Schaick of New York has issued a ruling forbidding life insurance companies and agents using banking terms such as "deposits," "savings," and "interest" in advertising and selling insurance.

Mr. Van Schaick cites sections 141 and 279 of the New York banking law, which prevents deceptive literature or other advertising which would indicate the business of a corporation is that of banking.

The ruling was prompted by advertising literature sent out by an agent stating: "We will place \$25,000 or more to your credit at once if you will deposit a relatively low rate of interest with us yearly on the account.

Increase 50 Percent

"At the end of five years we will increase this amount about 50 percent if you wish, subject to certain conditions, without asking any increase in the amount of your interest deposit.

"In the event of your death we will pay this \$25,000 or more to any designated beneficiary, in any manner you prefer, even though you may have paid only one interest deposit; and if you should die by an accident we will double this sum to \$50,000 or more.

"Should you become totally and presumably permanently disabled by either accident or disease, you need make no more deposits, and instead we will pay you \$250 or more every month for the rest of your life, if you remain so incapacitated. At your death we will pay the original \$25,000 or more in full to your beneficiary, without reduction of any kind for the monthly payments we have made to you."

The term "deposits," according to the New York department, to the average person is that the person making the deposit keeps title to the property deposited or has the right at any time to its equivalent. "Deposits," the New York department declares, "is not a synonym for the word premium. One of the principal causes of complaint in this department arises from statements by agents to prospective policyholders that they will receive back their money after a certain number of years instead of advising that the amount will be the reserve or the cash surrender value."

Insurance Regarded as Means of Bridging Gap

President C. F. Williams of the Western & Southern Life in a talk before agents of his company at Detroit stated that in spite of depressing conditions the present situation can be viewed optimistically as a means of clearing up a cluttered economic landscape. He said:

"There must be a conscientious effort made by those at the helm of our great American corporations to reconstruct and control methods of operation and production which will prevent a return of the causes. Shorter hours appear almost inevitable. That, however, will only prove a more or less temporary method of stabilizing production. One must look seriously toward insurance as a means of bridging the gap between an economic let-down and a return to normalcy. There is no room today for the consumer who is a non-producer. The man who uses the product of another and does nothing whatever in return has no place in American business life."

Goes Upward



WILLIAM KOCH

William Koch, who becomes president of the National Life of Des Moines, has been executive vice-president and in that capacity has virtually been the head of the institution. He has lived in Des Moines for nearly 50 years. He was formerly an official of the Royal Union Life. He has had a wide business experience and has been trained in insurance administration.

Summer Dullness Ruled Out of Home Life Men's Thoughts

The Home Life of New York is conducting a strong campaign to counteract the tendency towards midsummer slackening in effort in life insurance selling. The Home Life has been successful in keeping its producers on the firing line during the summer months. In advising the agents of the summer contest, the Home Life prints a chart showing, by index numbers, how the Home Life production in the summer has exceeded the average of all companies for that period. In July, the Home Life's index number has been 50, while that for all companies has been 45. In August the Home Life's index was 49 and that for other companies 42. In September the figures are 44 and 33.

The Home Life believes that too many agents give ear to the old fear of summer dullness. "Believing that summer is a time for poor sales," the company states, "they encounter just what they fear. Field men of this company, however, have been brought to realization—that just as many sales are possible in summer as in any other season, if the salesmen go after them."

Weekly Production Advantage

The general depression has failed to retard the work of the real striving agents of the Central States Life of St. Louis, the honor roll of its "Perseverance Club" indicates.

Ten members each have a record of 181 consecutive weeks of production, while two others are each just one week shy of the high mark. The roster also reveals that ten other agents have each surpassed 140 weeks of consecutive weekly production. Several other agents have passed the century mark in weekly production.

Officials of the company say that weekly production—the aim of the Perseverance Club—is the only way in which an agent can realize the most possible from his work, since it will assure his success as nothing else can.

Order your National Underwriter life insurance calendars now!

LIFE COMPANY CONVENTIONS

Guardian Leaders Gather

"Organized Cooperation" Is Theme of Annual Agency Meeting at White Sulphur Springs

WHITE SULPHUR SPRINGS, W. VA., July 16.—The annual three-day convention of the Leaders' Club of the Guardian Life of New York held its closing session today. Nearly 400 were present at the gathering. "Organized Operating" was the theme of the convention.

Of the higher honor club members, those writing \$250,000 a year or more, the average production was nearly \$400,000, or very close to the record they established in previous club year of 1929-30. More than one-third of these leaders achieved their biggest club year in the 12 months just ended.

The convention opened Tuesday with President Carl Heye's address of welcome, following which Vice-President J. A. McLain spoke on "The Past Club Year and the One Ahead."

The championship foursome led off the golf tournament in the afternoon. The foursome was made up of Vice-President McLain and the three leaders in the McLain month golf campaign held in April, R. A. Trubey, Fargo, N. D.; A. L. Beck, Buffalo, N. Y., and W. A. Farrell, Fargo. Mr. Trubey, although an agency manager, led the field in personal production during the contest.

Organized Work Stressed

At the Wednesday session, conducted by F. F. Weidenborner, Jr., superintendent of agencies, talks on the value of organized work were presented by E. M. Wolfe, New York, and on the value of organized presentations, by N. F. Davis, Jr., director of education. Following these three organized presentations were given by field men: S. S. Dodd, Boston, on the family income policy; J. K. Biddle, Pittsburgh, on the dollar a week plan; and S. F. Green, Brooklyn, on the "Estate Digest," an analysis of estates used by the company.

H. F. Roye, Philadelphia, spoke on "How I Plan to Increase My Efficiency During the Club Year." "What the Guardian Means to Me," was the topic of N. S. Barrows, New York, who was the closing speaker of the day's session. The annual banquet was held in the evening.

A sales clinic, conducted by Mr. Weidenborner and 11 of the field's leading representatives, was a feature of the final day's session, conducted by Vice-President McLain. Speakers were W. J. Chambers, New York, on "Organized Prospecting," and J. A. Whitmore, Buffalo, on "Present Day Sales Opportunities with the Guardian."

Northwestern Agents Gather

MILWAUKEE, July 16.—In connection with the annual meeting of agents of the Northwestern Mutual Life in Milwaukee July 20-22, the Chartered Life Underwriters Association of the Northwestern Mutual will hold a luncheon Tuesday with B. S. McGiveran, Eau Claire, Wis., as chairman. At the annual banquet Tuesday evening C. H. Parsons will be toastmaster. Election of officers of the association and the standing committee will be held Wednesday.

Bankers Life St. Louis Meeting

A regional meeting of the agents of the Bankers Life of Iowa will be held in St. Louis July 20. Several home office executives are expected to attend. The Quincy, Ill., office under J. J. Garrett will join with the Missouri men at this meeting. E. G. Squires is Missouri state agent.

Hold Silver Jubilee Meeting

Leading Producers of Oregon Mutual Life Attend Convention at Home Office in Portland

In celebration of its 25th year in business the Oregon Mutual Life held a silver jubilee convention of its Gold Medal Club at the home office in Portland, July 13-15, with 47 leading agents as qualified members in attendance.

The sessions of the convention were largely educational and featured Dr. C. J. Rockwell. Such topics as "Modern Prospecting Methods," "Approaching Your Prospect," "Meeting Sales Resistance," "Insurance for the Ordinary Estate," and "Insurance for the Average Business Man" were handled by Dr. Rockwell and discussed in the convention.

The Oregon Mutual Life invited the Portland Life Underwriters Association to hear Dr. Rockwell's address July 15 on "Making Life Insurance Attractive."

Following the convention, a two-day

conference of the general agents of the company was held at the home office Thursday and Friday.

Manufacturers Life Holds First of Its Club Outings

The Manufacturers Life of Toronto held the first of a series of conventions of production clubs at Bigwin Inn, Lake of Bays, Ont., with "Increasing Business in Force" as the theme. This was a meeting of the eastern \$100,000 Club. The theme was discussed at the first meeting from the standpoint of preparation, at the second from that of production, and the third from that of conservation. In other words, planning to get the business, getting it and keeping it.

The \$200,000 Club convention will be held in Jasper Park, Alta., Aug. 19-23. This will be followed by the convention of the western \$100,000 club at the same place.

Among the speakers at the eastern meeting were A. Mackenzie, manager of agencies; W. A. Kerr, agency superintendent; Dr. R. C. Montgomery, assistant medical referee; R. E. Dowsett, assistant secretary; G. L. Holmes and H. J. Stowe, assistant actuaries.

T. J. Houston Is Head of Shrine Organization

Thomas J. Houston of Chicago, former Illinois insurance superintendent and well known independent adjuster of that city, a man of wide insurance knowledge, especially in loss lines, was elected imperial potente at the big Shrine conclave at Cleveland this week. This puts Mr. Houston at the head of this great organization. Mr. Houston has been prominent in civic and political affairs. He served as Illinois superintendent of insurance for two years, ending in 1923. He was president of the civil service commission in Chicago for two years. He has been an adjuster since 1910. He is president of the Medina Athletic club and was its chief promoter.

Northern Life's Silver Jubilee

Office managers and outstanding producers of the Northern Life are in attendance at the annual convention at Seattle, July 13-18. The meeting marks the 25th anniversary of the organization and is being held in its new Tower building.

A COMPANY OF OPPORTUNITY

The Essential Factors in the Home Life Agency Program

FIRST: Sales activity shall, to the largest possible extent, be carried on in the General Agency. ¶ This grows out of our belief that the General Agent can formulate and execute his own sales plans better than the Company. By eliminating elaborate Home Office activities, we are able to give more to the General Agent, such as:

Full vested renewals with no penalties or deductions in case of termination for any cause.

Liberal and flexible expense allowance which automatically and continuously provides funds for new agency development.

SECOND: Clerical and routine activities shall, to the largest possible extent, be carried on by the Company and not in the General Agency. ¶ This arises from our belief that the Company can perform these functions better and at less cost. ¶ A part of this plan is centralized collection agencies in New York, Chicago and Philadelphia, relieving the General Agents of this onerous and expensive problem. ¶ As a result, our General Agents have:

Time to devote themselves wholeheartedly to the job of agency building.

Money, under our expense arrangement, to vigorously carry forward agency development.

A contract to offer Soliciting Agents which, like the General Agent's contract, is free from penalties and restrictions.

An opportunity to offer to those of their Soliciting Agents who are ambitious to become General Agents, a chance to establish their own agencies sooner and on more favorable terms than was possible under the old method.

ETHELBERT IDE LOW,
Chairman of the Board.

JAMES A. FULTON,
President.

HOME LIFE INSURANCE COMPANY
CITY HALL SQUARE - NEW YORK CITY



THOROUGH

Shield Men are equipped to render thorough insurance service to every prospect and client. Not only are they equipped with all regular and standardized forms of life insurance but they also carry all the latest and most modern policies now being offered. In addition there is a varied line of Income Protection, Accident and Health policies including industrial, ordinary, commercial and monthly.

This complete line of life, accident and health insurance enables Shield Men, all of whom are soundly trained in properly presenting this line, to fill the insurance needs of every person and is one of the many reasons why more than ten million men, women and children are protected by the Shield Company.

It pays to be a Shield Man.

The NATIONAL LIFE AND
ACCIDENT INSURANCE
COMPANY INC.
NASHVILLE TENNESSEE
Tune in WSM

Hold Chicago Conference on Oklahoma Amendment

Representatives of insurance companies owning land in Oklahoma will meet at the Stevens Hotel, Chicago, July 17, to consider plans for a campaign to secure adoption by voters of Oklahoma of a constitutional amendment recommended by Governor Murray's committee of 21 to extend the present seven-year period before escheat to ten years.

In order to bring the proposed amendment to a vote it will be necessary to secure approximately 100,000 signatures of qualified voters to initiative petitions. It will also be necessary to organize a state-wide campaign to educate the voters as to the need for such an amendment. The formation of this organization will be discussed at the Chicago meeting.

Companies affiliated with the American Life Convention and the Life Presidents Association will be represented at the Chicago gathering. W. P. Coler, secretary and actuary of the American Life Convention, will represent its official staff.

New Peoria Life Directors

C. E. Keelen and A. E. Streitmatter have been elected directors of the Peoria Life. Mr. Streitmatter has been connected with the company for 12 years and since 1921 has been in charge of its investment department. Mr. Keelen went with the Peoria Life over two years ago from the Illinois state service, he being assistant director of trade and commerce. Mr. Keelen is associated with the investment department of the Peoria Life.

The New England Reserve Life of Kansas City and the Credit Life of Springfield, O., have been licensed in Oklahoma.

Penn Mutual Educator Takes Hartford Post



VINCENT B. COFFIN

Vincent B. Coffin, who is leaving the Penn Mutual to become superintendent of agencies of the Connecticut Mutual Life, has been a leader in the modern educational school of life insurance. He has been successful in educating agents, not only in the academic aspects of the business, but in the practical application of that knowledge to selling. He will take his new post Sept. 1.

Life Company Notes

The Continental National Life of Denver has been licensed in Kansas, New Mexico and Arizona.

The Income Life of Louisville has filed amended articles of incorporation reducing its capital from \$500,000 to \$250,000.

..... salesmen

INSURANCE SALESMEN will find an outstanding opportunity to make immediate and substantial commissions selling Financial Independence Founders Share Certificates with Life Insurance protection.

Our plan enjoys the unique advantage of complete administration by the Trustee, one of the oldest and greatest banks in America. The investor makes monthly payments of \$10, or multiples thereof. He can arrange his Plan on quarterly, semi-annual or annual payments or he may purchase Full Paid Certificates without Life Insurance protection.

The structure of this Plan enjoys definite inherent qualities that eliminate sales resistance completely. Based on three fundamental principles and fortified by fourteen points created for the benefit of the investor.

Men and women in greater New York will be granted personal interviews. To others complete information will be sent by mail.

Major F. A. Crooks, Sales Director
Financial Independence Founders
Incorporated

1231 Chrysler Building New York City

**Commissioner Caldwell
of Tennessee Is Out**



ALBERT S. CALDWELL

NASHVILLE, TENN., July 16.—A surprise was sprung on the insurance and political fraternity of the state today when the resignation of Insurance Commissioner A. S. Caldwell was announced by Governor Horton. Joseph L. Reece of Johnson City has been appointed to succeed him. Mr. Caldwell stated that he had no announcement to make. He has been one of the outstanding insurance commissioners of the country and is secretary of the National Convention of Insurance Commissioners. He served as president of that body to fill the unexpired term of Judge Conn of Ohio and then was reelected the next year. He was appointed Tennessee commissioner Feb. 1, 1923. He was elected on the executive committee of the National Convention of Insurance Commissioners and then was chosen vice-president at the Los Angeles meeting.

He has been in insurance work for 40 years. He became an agent of the Equitable Life of New York in Chattanooga in 1889 and later located at Knoxville. He was appointed superintendent of agents of the ordinary department of the Prudential, supervising North Carolina and Tennessee. He then became manager of the Prudential at Knoxville but resigned to assist in organizing the Volunteer State Life of Chattanooga. He was its first secretary and later became vice-president and agency manager. He resigned to establish the life department of the Provident Life & Accident, becoming vice-president and then was appointed Tennessee commissioner.

NEW YORK NEWS

MOVE TO NEW BUILDING

Recht & Kucher, recently appointed general agents of the Northwestern Mutual Life in New York City, have moved into their spacious new quarters in the Empire State building, bringing the number of life general agencies and branch offices in the world's tallest building to three in the two months it has been open. L. C. Kederich, manager of the Knickerbocker branch of the New York Life, and S. S. Wolf, general agent of the Berkshire Life, were among the first tenants to lease space.

"Service Plus" has been the motto of the agency and one of the features of the office will be the expansion of the statistical service into a department, headed by E. S. Arnaudin, whom Mr. Recht has thoroughly trained in this type of work. It will prepare analyses for agents and also analyze contracts of competing companies for the benefit of agents desiring this information.

All three life offices have been decorated and furnished in keeping with the atmosphere of the new building. An in-

teresting touch in the Northwestern office is a mural painting of the home office at Milwaukee. It is believed that the building will be a popular one for life agencies.

CHANGE IN TRAINING COURSE

The life insurance training course at New York University, conducted under sponsorship of the Life Underwriters Association of the City of New York, will be changed to two courses of 16 weeks each with classes three hours a day from 9 to 12 a.m. three days a week. The days the classes are to be held will either be Tuesday, Wednesday and Thursday or Tuesday, Wednesday and Friday.

There will be no evening classes as heretofore. The new arrangement will begin with the fall term. The educational committee of the life underwriters association will consult the American College of Life Underwriters authorities in the near future as to the possibility of giving C. L. U. credits to those passing evening courses in the school of commerce at N. Y. U., whose subjects parallel the prescribed requirements of the C. L. U. degree. Consideration is being given at New York University to the addition of a course in the school of commerce to run two hours a week for the year's term open to under-

graduates of the school of commerce, the course to cover the fundamentals of life insurance.

OPEN OFFICE AT JAMAICA, L. I.

Young & Capps, general agents of the Fidelity Mutual Life, have opened an office at Jamaica, L. I., to handle business in Queens, Nassau and Suffolk counties. The new office is in charge of J. M. Emigh and J. H. Matthei, district managers. Mr. Matthei was formerly an agency organizer of the Mutual Life of New York. Mr. Emigh was until recently a personal producer for the New York Life. The office has seven full time agents and 30 brokers under contract.

KARSCH AGENCY OUTING

The Samuel Karsch agency of the Equitable Life of New York is having an all day outing today at Indian Point, on the Hudson River. The outing celebrates the sixth anniversary of the agency and also the agency's winning of the cup for the highest average production during the recent drive for new business in honor of Vice-president W. W. Klingman, in which the Karsch agency force averaged 10.80 applications per man during the 10 business days of the drive, or more than one application

per man per day. Guests included H. C. Nolting, superintendent of agencies of the New York metropolitan area, Assistant Advertising Manager W. F. B. McNeary, and J. B. Treusch, also of the advertising department, and C. J. Ward, of the group division.

T. T. Redington Appointed

The home office agency of the Pacific Mutual Life at Los Angeles has appointed T. T. Redington manager at Pasadena, with headquarters in the First Trust building. Mr. Redington was formerly general agent for the Provident Mutual Life in Chicago and more recently has been with the H. G. Leslie agency of the Northwestern National Life in Los Angeles.

L. S. Roscoe Resigns

L. S. Roscoe has resigned as assistant manager of the home office agency at Los Angeles of the Pacific Mutual Life, to resume his connection with the Los Angeles agency of the Equitable Life of Iowa, with which he was associated for several years, resigning last November to go with the Pacific Mutual.

Order your National Underwriter life insurance calendars now!



The July Horoscope

A craving for power and wealth marks the nature of the majority of men born in this month.

Patience and perseverance are also marked. In striving to attain a goal July men keep pegging away indefinitely in the face of all handicaps and odds.

You are generous, loyal and true. You have a keen interest and sympathy for others—traits which fit you eminently for success in life insurance sales work.

Green and gray are your lucky colors, and the ruby is your birth stone.

July persons are often somewhat old-fashioned in their beliefs.

If you are in the life insurance business but not now under contract, you will like the Royal Union—the company that combines the conservatism of experience with the progressiveness of pioneers.



Royal Union Life Insurance Company

Des Moines, Iowa

A. C. TUCKER, Chairman of the Board

J. J. SHAMBAUGH, Pres.

B. M. KIRKE, V. P. & Field Mgr.

W. D. HALLER, Sec'y

**Disability Clause Problems
Emphasized by Dickenson**

SPEAKS AT MONTREAL MEET

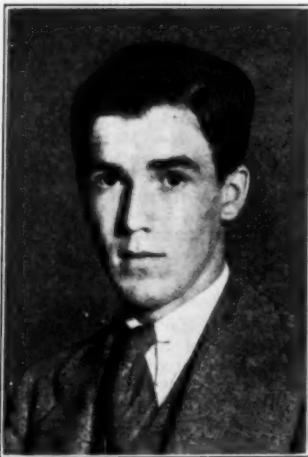
**Security Mutual Life Head Also Stresses
Suicide Tendency and Policy Loans
in Address to Agents**

MONTREAL, July 16.—Three outstanding problems of life insurance today are suicidal tendencies of many people, heavy borrowing on life policies, and the heavy claims being incurred under disability clauses, said D. S. Dickenson, president Security Mutual Life of Binghamton, in his address at the company's convention here.

In reference to disability clauses, Mr. Dickenson pointed out that losses incurred by all life companies in the United States increased from \$22,000,000 in 1929 to \$45,000,000 in 1930. "All signs point to the fact that the public is beginning to appreciate a good thing," he said, "and also that the public is becoming wise to the disability feature. Indeed, it is quite apparent in many cases that the prospect is strongly influenced by the disability clause and looks on the life insurance feature as a necessary evil.

"There are many border-line disability claims where a man has an ailment which does not prevent him from working if he has sufficient incentive. There are many individuals who are perfectly willing to knock off work and take a long vacation for anywhere from \$100 to \$500 monthly disability income, with no premium to pay on policies from \$10,000 to \$50,000 and with annual dividends thrown in for good measure. If the business is to be put on a basis where the companies can break even, some changes must be made. Some actuaries have suggested complete aban-

Chip of Old Block



CHARLES M. WILLIAMS

Charles M. Williams, oldest son of Charles F. Williams, president of the Western & Southern group, made his maiden speech at a company banquet last week. Another son of a life insurance executive is thus following in the footsteps of his illustrious father. Young Mr. Williams' progress in the insurance world will be watched with interest.

donment of the disability features; others have recommended that monthly payments be reduced to \$5 per month per \$1,000 and that the present rates also be charged. There is no gainsaying the fact that total disability risks must be carefully selected and that they require far more skill than the selection for straight life insurance."

**Another Big Verdict on
Auto Accident of Agent**

JOHN HANCOCK HELD LIABLE

**Industrial Solicitor Used Own Car in
Covering Debit Without Knowledge of Superintendent**

PHILADELPHIA, July 16.—Is an insurance company liable for the automobile accidents of its agents using their own cars to solicit business and collect premiums? The common plea court No. 1 of Philadelphia has just ruled that it is. The case was that of Charles Adams, an industrial life agent of the John Hancock Mutual Life, which is held liable on a verdict of \$22,500.

On March 11, 1927, Adams, riding in his automobile, struck John Wesolowski, then 14, who was riding a bicycle, at Lycoming and Hunting Park avenue.

The parents of the boy sued the company, claiming that the John Hancock was responsible for Adams' actions. The company based its defense solely on the ground that Adams was not on the business of the company at the time and that the company was not responsible.

Only Reported Occasionally

In its defense, the company said that Adams had been hired Jan. 17, 1927, and was paid a salary for his debit and a commission on insurance. He had a small debit and it was not necessary to use a car to collect. The company said that he had only 150 accounts in an area of five squares. The company said that it had no control over his hours other than that he was to report Wednesdays, Thursdays, Fridays and Saturdays to settle his accounts.

When Adams first started, the superintendent, in showing him the debit,

took Adams on a street car. He was never, declared the company, instructed to use an automobile and no allowance was given him for it and the company had no way of knowing what he did with his time nor what hours he worked. Adams left the company May 11, 1927. The court ruled against the company.

The John Hancock has demanded a new trial and if it is not granted, the company will appeal and will carry the case to the highest court for a final decision.

Of Grave Importance

The case is of the gravest importance to all life companies, especially to those writing industrial business. Should the lower Philadelphia court be upheld and insurance companies be held liable for all acts of their agents, it will mean that the companies may find themselves facing numerous claims and suits and that they will be forced to either settle the claims, take them to court or else carry non-ownership liability insurance. It is said that the New York Life now carries this kind of insurance.

This is the second recent verdict against the John Hancock, one having been rendered in a similar case at Hartford, Conn. The danger is greater to industrial than to ordinary companies, as ordinary agents are likely to carry automobile insurance of their own. The famous Dillon case in California, in which the Prudential was held for \$10,000, set the insurance precedent, although the original precedent against the Singer Sewing Machine Company, goes back to 1889.

Sun Life Holdings Improve

MONTREAL, July 16.—Securities of the Sun Life of Canada, deposited in the United States as reserve against policies in force, increased in market value from \$173,307,185 at the end of May to \$191,819,966 at the end of June. No change was made in the list of securities, the difference being due to advances in market value.

AN OPPORTUNITY!

WITH

**A GREAT HUMAN SERVICE INSTITUTION
DEDICATED TO THE BENEFIT OF MANKIND**

GENERAL AGENCY OPENINGS

**A real organizer may build
to an annual income of**

\$25,000.00

Total Admitted Assets.....\$46,378,339.96

Legal Reserve Am. Ex. 3½%.....\$38,578,959.00

**MORE THAN A LIFE INSURANCE ORGANIZATION
SUPPORTING AND EFFICIENT HOME OFFICE CO-OPERATION**

Address

DETROIT THE MACCABEES MICHIGAN

D. J. COAKLEY, Supreme Commander

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**THE MACCABEES BUILDING
Detroit - Michigan**

NEWS OF THE COMPANIES

Comments on the Half Year

President Emmet C. May of the Peoria Life Tells About Problems Confronting Companies

President Emmet C. May of the Peoria Life in his agency bulletin comments interestingly on the first six months of the year. This year he acknowledges is a very different sort of a year from 1930 or 1929. Life insurance, he asserts, was slow in responding to the general depression and, in fact, has not shown the falling off that was manifested in so many industrial and commercial activities. By the latter part of last year, Mr. May said, life insurance had begun to feel the adverse influence of the business recession. It was difficult, he states, to outline plans for the company this year and to fix a quota of business. This year had to be staged with entirely different scenery from the two preceding years. Regardless of business conditions the same quota for 1931 was announced as for 1930 so far as the Peoria Life is concerned. This was larger than the 1929 quota. The written business for the first six months was \$36,244,114, the quota being \$34,680,000. With the exception of last year it was the largest production the Peoria Life has experienced for a like period.

President May said that another satisfactory tendency in recent months is the falling off in demand for policy loans. The peak of the policy loan demand was in March. An appeal was made to the agents to save policies, discourage loans and try to keep insurance clear of mortgages. The lessened call for loans indicates in Mr. May's mind lightening of the economic stringency and an easing of financial difficulty.

During the first six months the man power in the various agencies has been increased. Almost every agency in the

Peoria Life organization has expanded. A number of new district managers have been appointed.

Michigan Cancels License of Security of Chicago

LANSING, MICH., July 16.—Commissioner Livingston of the Michigan department has notified the Security Life of Chicago that its license will not be renewed in this state. He takes the position that participating in the convention examination he found that the company could not meet the mandatory qualifications made by Michigan statutes for safety. Michigan agents are being notified of this action. The commissioner stated that the department had not been deterred from acting by the position taken by the corporation division of Virginia in holding the company solvent. No hearing has been conducted by the Michigan department.

Citizens National Accepts American Bankers Merger

Stockholders of the Citizens National Life of East St. Louis, Ill., unanimously approved the merger of that company with the American Bankers and the consolidation will take place as soon as it is approved by the Illinois department. Under the proposal submitted, stockholders of the Citizens National receive two shares of American Bankers stock for each share of Citizens National stock. Complete details of the consolidation have not been worked out and it may be decided to reinsure the business of the Citizens National in the American Bankers.

The Citizens National was organized in 1926 and at one time had \$2,000,000 insurance on its books, but much of this business was later lapsed so that the company now has but \$744,000 in force. Its last statement showed admitted assets of \$166,000.

J. G. Bardell of Highland, Ill., is president of the Citizens National Life of East St. Louis. The home offices are in the First National Bank building, East St. Louis, Ill.

Conducts Anniversary Campaign

BIRMINGHAM, ALA., July 16.—A third anniversary campaign was inaugurated July 1 by the American Life of Alabama under the direction of G. W. Jeffrey, secretary and agency director. This company represents a consolidation a few months ago of the American Standard and American Security, both of Birmingham, and has about \$12,000,000 in force.

Progress of the campaign has been very satisfactory so far and Mr. Jeffrey hopes to hang up a record for business written. He organized the charter campaign for American Security in 1928, which gave the company \$4,250,000 of business in its first five weeks.

Mr. Jeffrey entered the insurance business in 1920 with the Business Men's Assurance in Kansas City and worked up in a short time to be manager of the reinsurance department. He was with the Midland Life from Jan. 1, 1926 to May 1, 1928, when he came to Alabama.

Eagle National Taken Over

The National Old Line of Little Rock, Ark., has now taken over all the business of the Eagle National Life of Decatur, Ill. The assets of the Eagle National were sufficient to cover all liabilities, being invested in first-class securities. The Arkansas and Illinois departments have ratified the reinsurance deal.

Goes to New York



FRANK W. WOZENCRAFT

F. W. Wozencraft of Dallas, former mayor and present chairman of the Legal Section of the American Life Convention, has become assistant general attorney for the Radio Corporation of America and will be located in New York. He is a native of Dallas. He was educated at the University of Texas. He became mayor of Dallas at the age of 26. He was formerly general counsel of the old American Life Reinsurance of Dallas of which A. C. Bigger was the president. He is a man of splendid legal ability.

Now Is the Time To Sell Life Insurance

America is more life insurance conscious today than ever before in the history of the country. The fact that life insurance is the only guaranteed collateral one can buy has been indelibly impressed upon practically everyone's mind. Men are buying life insurance today for its investment value as well as for protection. The Agent who is equipped to present a modernly arranged, sound life insurance program combining investment for the future with protection against physical and economic death is assured success.

The Missouri State Life Agent's multiple line "Kit" provides just such a program

\$151,000,000 of Admitted Assets

A Good Company to Represent



MISSOURI STATE LIFE INSURANCE COMPANY

HILLSMAN TAYLOR, President

ST. LOUIS

Life - Accident - Health - Group - Salary Savings

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Ass't Managing Editor
FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
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PUBLICATION OFFICE, A1946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781, RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958
GEORGE A. WATSON, Associate Editor

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
J. A. PETERS, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
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R. J. McGEHEAN, Resident Manager

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SAN FRANCISCO OFFICE
105 Montgomery Street, Tel. Kearny 3054
FRANK W. BLAND, Resident Manager
CYRUS K. DREW, Pacific Coast Editor

DES MOINES OFFICE
716 Fleming Bldg., Tel. 4-8712
R. E. HEATH, Resident Manager

PHILADELPHIA OFFICE
412 Land Title Bldg., Tel. Rittenhouse 3654
W. J. SMYTH, Resident Manager

PERSONAL SIDE OF BUSINESS

Superintendent J. B. Thompson of Missouri and Mrs. Thompson visited President Hoover at the White House in Washington last week. The 15-year-old Thompson twins, Mason and Jason, were on the White House grounds at the same time with other pupils from various parts of the country who are attending the visual educational test school. They were in the group of children photographed with President Hoover.

Pem Denton, president of the 1931 Clic Club of the Continental Life of St. Louis, who has been ill for the past month, has been released from the hospital and is now resting at his home in Amarillo, Tex. He expects to attend the Clic Club convention in Toronto next month. The attendance at the club meeting promises to set a new record for the company.

L. C. Deason, general agent for the Lincoln National Life in Hannibal, Mo., was elected to the Missouri state board of directors of the Lions International at the annual convention. Mr. Deason for a number of years has been active in the civic and club affairs of his section of the state.

The 9-year old son and 7-year old daughter of C. C. Lumpkin, general agent of the Lamar Life in Arkansas, were drowned in White River, wading near DeValls Bluff. Two other girls were drowned in the same accident. Mr. Lumpkin has his office at Little Rock but lives at DeValls Bluff.

Weston Segura, although only a sophomore at the University of Mississippi next season, has become a special agent of the Lamar Life, of which his father, Dr. J. O. Segura, is vice-president and medical director. Weston Segura's personal production began the first week after he signed a contract. He will continue his college work, but will keep up his agency work in vacation and at odd times in the university.

T. J. Lucado of Oklahoma City was elected president of the International Cooperative Club at the recent convention at Denver. Mr. Lucado has been in insurance work for more than 15 years and is now state manager in Oklahoma for the Texas Prudential of Galveston. Previously he had served the American National in a similar capacity for seven years. He is immediate past president of the Oklahoma City Cooperative Club and now chairman of the board.

Osgood Fifield, vice-president Massachusetts Mutual Life, was a San Francisco visitor last week and was guest of honor at a luncheon given by H. A. Binder, general agent, attended by prominent business and financial leaders of the city. Mr. Fifield went on to Seattle to address the annual convention of the Property Owners & Managers Association of America.

M. J. Dillon, manager of the Pacific Mutual Life at St. Paul, has returned from Michigan, where he has been taking health treatments. Mr. Dillon has been ill for several months.

L. T. Binford, president of the Columbian Mutual Life of Memphis, who underwent a very serious operation in connection with an illness beginning early in December, is still away from his office but is recuperating. His physicians do not want him to exert himself in any particular.

A. T. Lynner of Fargo, N. D., the new general agent of the Kansas City Life in that state, is getting well under way. He is a native of North Dakota and entered the insurance business when he was 20 years old. He was formerly

South Dakota state manager for the National Casualty and in 1918 was made agency director at Minneapolis. Then he became state manager of the Travelers in North Dakota, building up a business of \$10,000,000. In 1930 he became president of the Home Savings & Loan Association of Fargo. He still holds that position and is mayor of his city.

The marriage of Frank H. Lewis, general agent for Newark and vicinity for the Massachusetts Mutual, to Mrs. Mary Elizabeth Smith of Boonton, is announced. They are spending their honeymoon at Virginia Beach.

Maurice C. Johnson, 63, associate editor of publications of the Prudential, died last week in Newark after a major operation. He entered the employ of the company as an agent in Chicago in 1896 and went to Newark as division manager in 1908. He became editor in 1929.

Vice-President John M. Laird of the Connecticut General Life is on a trip abroad and will not return until the middle of August.

J. H. Hilmes of the Des Moines agency of the Equitable Life of Iowa, is the first agent to earn membership in the company's hall of honor. This distinction is to be announced annually at convention time to "that agent of ten consecutive years of service, who, during the past five years has been first among all agents in production, conservation and average size of policy."

Mrs. Mae Barr Long, deputy commissioner of California, celebrated her 25th anniversary with the department July 12. Entering the service of the department under Commissioner Wolf in 1906, Mrs. Long (then Miss Mae Osgood) has worked her way up from stenographer, through the position of chief clerk, which she held for ten years, being appointed deputy commissioner eight years ago.

Many congratulatory messages and floral offerings were received. The San Francisco Life Underwriters Association testified to its appreciation in a resolution of commendation and thanks. Employees of the department also presented her with a beautiful floral token.

W. B. Erfert of Freeport, Ill., president of the Bankers Mutual Life of that city, died Sunday at the Deaconess hospital there following a serious operation July 4. Mr. Erfert was a well known fire insurance man, being Wisconsin state agent for the Crum & Forster group of fire companies. He was president of the Wisconsin Fire Underwriters Association. He was prominent in Masonry and a well known orator.

Mr. Erfert was one of the organizers of the Bankers Mutual, it having started in 1907. He had served continuously as president.

Church E. Brotten, secretary of the Federal Union Life, Cincinnati, deputy state auditor of Ohio, is mentioned for the Republican nomination for state auditor, provided Auditor Joseph T. Tracy does not seek another term.

E. J. McCormack, for a number of years general agent for the Minnesota Mutual Life at Memphis, has joined the Columbian Mutual of that city as special home office representative. Colonel McCormack was recently elected president of the Memphis Association of Life Underwriters. He was chairman of the general convention committee when the National association held its meeting in that city and has served for several terms as a vice-president of the National association and a member of its executive committee.

Member Audit Bureau of Circulations

Lesson from the King Home

IN Chicago is an excellent institution, the J. C. KING HOME FOR OLD MEN, an endowed institution, having been promoted by a philanthropic citizen, a banker, who saw in his journey many old men who at one time had been successful in business or profession, but who are now down and out. Through some misfortune they lost their hold and they are not able to maintain themselves. During the last year this home has had very heavy demands on it. A person accepted in it must pay \$500. Even with this deposit the applications have increased rapidly. The home is

not open to any but gentlemen who have been successful in business in Chicago. It is not the haven for those who have made no attempt to earn a livelihood. It is a place for those who once were riding on the waves of success but who were caught in the billows and incapacitated.

There is no stronger argument for life insurance, saving for protection of one's self, for the accumulation of old age income than this home with its inmates who were once prosperous but who did not prepare for the ill wind that overtook them.

Life Insurance As Emergency Fund

DR. HUEBNER, in his recent talks, has been stressing the use of life insurance as an emergency fund. He brings out the thought that here is a sinking fund that can be called upon in case of a sudden or unseen contingency. He has figured out great financial and business panics, showing that they travel in cycles. Dr. HUEBNER calculates that the man who reaches three score and ten has passed through four or five panics during his lifetime. The present one is perhaps as de-

vastating as any. The first started in 1817 and there has been a regular succession.

Therefore, Dr. HUEBNER's argument is that a man should prepare for these panics that are sure to come. In every civilized nation, times of economic depression will visit the people. Life insurance, therefore, becomes an emergency fund to tide a man over in case of hard times. If he has not created such a fund for this particular panic, Dr. HUEBNER urges him not to forget those of the future.

Getting Back to Fundamentals

ONE of the most progressive executives in the west and yet a man who is careful in his movements, a believer in old fashioned ideals, writes THE NATIONAL UNDERWRITER, saying: "It is time that people in the life insurance business awaken to the fact that they are acting as trustees for policyholders. They should realize that it is not a show business, a circus activity or a movie house proposition where self-aggrandizement

is the purpose to be served.

"We have been going too rapidly and have lost sight of the fundamentals that are basic in the life insurance structure. We are now paying for the damage. A boom of any kind is detrimental. It causes people to live in a false atmosphere. Today life insurance executives are beginning to think more in terms of security and permanency than volume and large profits."

Factors in Business Success

WILLIAM FEATHER, who gets out "Timely Figures" remarks: "In many lines of work it isn't how much you do that counts, but how much you do well and how often you decide right." The

cultivation of good judgment, the use of common sense, the reaching at calm, deliberate conclusions, all are great factors in a business office. These are the qualities of a true executive.



Left: McKinlock Memorial Campus of Northwestern University. On Chicago Avenue near the lake. Here are located the "downtown" professional schools; medical, law, commerce, and journalism. The main campus is in Evanston. . . .



Elizabeth M. Cudahy Memorial Library on the north shore campus of Loyola University. Dedicated in June, 1930. . . .



South front of Harper Memorial Library, with section of Social Sciences building to the right. Part of the beautiful campus of the University of Chicago. . . .



Unique "roof campus" of De Paul University located in the heart of the business district. 6,000 students.

ILLINOIS LIFE INSURANCE CO. ILLINOIS LIFE BUILDING CHICAGO 1212 LAKE SHORE DRIVE

Raymond W. Stevens, President

CHICAGO

*A Good Place to Live
A Good Place to Work*

An UNUSUAL Contract will be offered to An UNUSUAL Man

WHO

- is a producer
- is, of course, honest
- has three years of experience
- needs no financing
- is seeking opportunity
- will WORK
- can organize
- needs no drawing account or salary
- needs no office expense

BUT

WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

THE COMPANY—is rated "A" by Best. Its rates for Insurance are extremely low

(Age 35 Ordinary Life Net Cost
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile. Has over \$135,000,000 in force.

TERRITORY—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

WE WANT AN UNUSUAL MAN

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write T-74, The National Underwriter.

Provide through Provident



Provident Tools (No. 7)

ADVERTISING

Provident Mutual is conducting a worth-while national advertising campaign in high-grade general magazines of wide circulation. Good leads are furnished from the Home Office. Consequently, sales resistance is being rapidly broken down for Provident Representatives.

"My Boy's Got the Ball!"

Another Provident tool for their use.

Provident Mutual
Life Insurance Company of Philadelphia

Founded 1865

LIFE AGENCY CHANGES

Palmer With the Fidelity

Peoria Life Manager at Topeka Takes Northern Kansas for the Philadelphia Company

Allen E. Palmer of Topeka has been appointed manager for the Fidelity Mutual Life. His territory will cover northern Kansas. He was graduated from school in Portis, Kan., and then attended the Kansas State Teachers College in Emporia. Following this, he completed a course at Kansas Wesleyan Business College and after some years teaching in various schools in the state he became instructor in business and commercial subjects in the Topeka high school.

In 1929 Mr. Palmer became a field worker for the Peoria Life, with which company he continued until his present connection. His office will be at 221 New England building, Topeka.

D. J. Squires, Emile Thomas

D. J. Squires and Emile Thomas have become Missouri state managers for the Guarantee Mutual Life of Omaha with offices in the Loudermann building, St. Louis. Both were formerly with the St. Louis office of the Bankers Life of Iowa.

F. W. Maule

F. W. Maule, southwest Texas manager agency Reliance Life with headquarters in San Antonio, has been transferred to the Pacific Coast, working out of the Los Angeles office. California is not new to him, as he worked in California before going to Texas. Mr. Maule entered the Reliance Life in southwest Texas and has been in charge there for 16 years.

Angus Allmond, Reliance Life agency superintendent, has been in San Antonio seeking a successor to Mr. Maule.

R. E. Dyer, R. W. Whalen

R. E. Dyer, who has been assistant general agent of the Aetna Life in Baltimore, and R. W. Whalen, supervisor in the Baltimore office, have resigned. Both have been with the Baltimore office for about five years.

H. H. Hadlow

H. H. Hadlow has been appointed general agent of the Maryland Life in Washington, D. C. He has not been in the insurance business recently but has had considerable experience in insurance.

H. G. Frost

H. G. ("Jack") Frost, formerly with the Union Central Life at Little Rock, Ark., has been appointed district agent of the Northwestern Mutual Life for central Arkansas. He has opened an office in the Boyle building at Little Rock.

J. B. Cary

J. B. Cary, formerly a member of the firm of Diggs & Cary, general agents at Richmond, Va., for the Penn Mutual, has joined the W. T. Nolley agency of the Northwestern Mutual in that city. His father and grandfather both served as general agent in Richmond for the Northwestern Mutual and Mr. Cary himself started out with that company, remaining with its field force until he became identified with the Penn Mutual.

H. N. Haskell

H. N. Haskell has been appointed superintendent of the Prudential at New Orleans. He started as an agent in Jersey City in 1900, and later was made

assistant superintendent of Jersey City No. 2. In 1912 he was made superintendent at Hoboken, N. J. Ill health caused him to relinquish this position. He returned to the business as an assistant superintendent in West Palm Beach, Fla., in 1929.

Superintendent E. Vernon Heughan of New Orleans has been made superintendent at Nashville.

L. S. Brewer

The National Reserve Life of Topeka has opened a state agency for Nebraska in Omaha. L. S. Brewer, former superintendent of its agencies, is state agent.

R. W. Wilson

R. W. Wilson has been appointed manager at Denver for the central division of the Occidental Life of Los Angeles, succeeding F. E. Beaty, who resigned recently but will remain with the company in another capacity. Mr. Wilson has been with the company in southern California for the past 22 years as a personal producer, home office representative and branch manager.

Life Agency Notes

H. S. Chilton has been appointed general agent of the Minnesota Mutual Life at Meridian, Miss.

F. A. Brunner of the Marshall, Minn., office of the Equitable Life has been transferred to the H. A. Chipman agency at Columbus.

L. B. White, formerly assistant manager of the Lincoln National Life in Newark, has been made district agent for Hudson county, N. J.

J. F. Chapman, an assistant in the agency department of the Northwestern Mutual Life at Milwaukee for the past four years, is now with the C. L. McMullen general agency in New York City as agency statistician and assistant.

R. M. Bidgood has been appointed service representative of the Richmond agency of the Mutual Life of New York, succeeding Col. Austin Brockenbrough, who resigned recently on account of his health. Mr. Bidgood has been with the agency for several years as a solicitor.

The home office agency of the Pacific Mutual Life at Los Angeles has appointed **R. D. Keane** manager of its brokerage department. Mr. Keane was formerly with the Keane-Patterson agency of the Massachusetts Mutual Life in New York City.

Central Western State News

Life Company Taxes Higher

New Law Raising Levy Against Domestic Companies Boosts Receipts of Wisconsin Department

MADISON, WIS., July 16.—Receipts of the Wisconsin department for the year ending June 30 were \$2,650,335 an increase of \$60,672.

Taxes collected from life were \$1,656,979, an increase of \$107,636. Of this \$47,193 is due to the new law which changed the rate for domestic companies from 3 1/4 to 3 1/2 percent.

Agents' licenses and all other fees were \$194,768, an increase of \$6,289.

Casualty company taxes were \$354,437, an increase of only \$3,632. This increase, which is less than normal, is due to a drop in workmen's compensation and surety premiums.

Fire company taxes dropped from \$224,452 to \$202,103, due to decline in values and inventories and the February,

1930, rate reduction. The fire department tax likewise decreased from \$276,583 to \$240,134.

The department's appropriation of \$51,000 annually is 1.9 percent of its receipts.

Huebner Stresses Value of Business Life Insurance

Dr. S. S. Huebner, University of Pennsylvania, addressed some 600 leading business and professional men in Indianapolis Monday under the auspices of the Hackleman & Shields general agency of the Massachusetts Mutual Life on "Life Insurance in Its Relationship to Business." He emphasized the importance of protecting the "brains" of a business with life insurance as well as protecting property values with other forms of insurance. He predicted that within 20 years there will be twice as much business life insurance in force as all the various forms of property insurance.

Life insurance has been the salvation of many during the depression, he said, because of the loan possibilities of policies, but he hastened to add that he did not advocate taking a loan on a policy except as a last resort and never to bolster speculative investments.

Dr. Huebner addressed a group of 175 business women Saturday on the value of life insurance as an investment for women. Monday evening he addressed the Indianapolis Association of Life Underwriters on "The Investment Service of Life Insurance."

Wilson Exceeds Expectations

Reed M. Wilson, Chicago manager of Atlantic Life, succeeded in writing 250 percent more business in June, his first month with the company than was anticipated by the home office officials. Mr. Wilson was formerly organizer for the Hintz Peter agency, Mutual Life of New York. He has increased his agency force and already has one new agent who has qualified for the company's convention which is to take place in September.

Must Have Two Licenses

Commissioner Kidd of Indiana has ruled that an agent representing a company that writes both life and accident and health insurance will be required to take out two licenses, one under the life insurance agency qualification act which became effective July 1, and also under the fire and casualty act which has been in force for two years.

He has also held that the licenses of life agents issued before July 1 will cover the period from Jan. 1 to March 1, when licenses under the new law will be required.

Mortensen May Push State Fund

MADISON, WIS., July 16.—The state life insurance fund has 1,008 policies in force for \$1,323,650 of insurance.

New Detroit Insurance Telephone Directory Out

The new Insurance Telephone Directory for the city of Detroit has just been published by The National Underwriter Company. The directory this year is very complete as to names of all insurance men and companies in Detroit. The directory from a typographical standpoint is also much more attractive, inasmuch as a new type face has been used. Copies of the directory have already been mailed to Detroit insurance men. Additional copies may be procured from the Chicago office of The National Underwriter by sending four cents a copy postage.

Commissioner Mortensen is likely to encourage development of the state fund more than previous commissioners, as it was created in 1911 under the administration of H. L. Ekern as commissioner.

The fund had a surplus of \$39,943 last December, and assets were \$328,282. Only one death benefit was paid last year, for \$3,000, while \$4,946 was paid out as cash surrender value to policyholders. A matured policy of \$3,000 was also paid.

Wisconsin Merger Approved

MADISON, WIS., July 16.—The Beavers National Benefit Association, Madison, was authorized to take over the business of the Farmers Mutual Life of Humboldt following a hearing before representatives of the governor, attorney general and insurance commissioner.

The consolidation increases the insurance in force of the Beavers to \$31,000,000, the reinsurance adding \$3,000,000.

Launch New Assessment Society

The Benevolent Protective Society has been incorporated by R. B. Robins, J. D. Mulroy and Miss Agnes Price in Milwaukee.

A membership fee of \$3 is to be charged and a contribution of \$1 is to be levied on the death of any member. There are four classes of membership: Ages 5-21, 21-35, 35-50 and 50-60. No benefit is to exceed \$1,000.

Huebner at Peoria

Dr. S. S. Huebner, educational advisor Massachusetts Mutual Life, addressed the company's central Illinois agency in Peoria, following which he conducted a round table. Later in the day he consulted with the Peoria C. L. U. class of 25 students.

Missouri Valley State News

Non-admitted Issue in Kansas

Hobbs Warns Against Unlicensed Companies Paying Commissions to Newspapers for Advertising Space

Commissioner Hobbs of Kansas has issued a warning to the public against non-admitted life insurance carriers. He reveals that some of these companies have approached Kansas newspapers, proposing to take advertising space, paying for it by turning over to the newspapers the commission on the policies sold through that medium.

"The jurisdiction of the insurance department, under state laws, extends only to companies admitted to do business in Kansas," Mr. Hobbs declared. "If a dispute over claims arose the department could be of no service in helping the policyholder collect from a non-admitted company.

"We are of the opinion that it is a violation of our laws for a newspaper to accept part of the premium, for the reason that the insurance code provides that no person, firm, corporation or association shall do any act for the transaction of the business of insurance without first obtaining written authority from the commissioner of insurance."

Great Republic's Good Gain

The Great Republic Life of Los Angeles closed the first six months of 1931 with an increase in volume of written business, exclusive of group and reinsurance, of over 42 percent compared with last year. June production showed a gain of more than 40 percent over May.

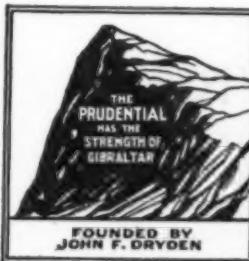
Order your National Underwriter life insurance calendar now!

Policyholders Have Rights!

The successful salesman of life insurance recognizes the truth that his duty toward a prospect does not end with delivery of the policy.

He believes in the Service Call—and for *good reasons*.

He knows that his attention is appreciated and that when his policyholder's income grows more protection will be needed.



The Prudential Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

ASSETS GAIN NEARLY 15 MILLIONS

Total Admitted Assets, December 31, 1930:
\$148,905,570.40

Total Admitted Assets, December 31, 1929:
\$133,931,890.94

Gain, 1930 over 1929:
\$14,973,679.46

Bankers Life Company

GERARD S. NOLLEN, President

Established 1879

Des Moines, Iowa

NO MORATORIUM IN LIFE INSURANCE

Although we hide them under alluringly iridescent sales talks, the Mortality Tables still stand inexorable, and life insurance exists chiefly to combat the destructiveness of "the final enemy."

What, then, is the present situation? This:—Difficult at all times for a widow to obtain employment, it is still more difficult now; with credit strained to the utmost, business needs the reinforcement that only life insurance can give; with property values shrunken, and many of them almost vanished, only life insurance can deliver an estate at par to an executor.

Therefore there can be no moratorium in life insurance. Instead, the underwriter's duty demands the utmost use of time, the utmost skill in presentation, the utmost pressure to close, the courage that cannot be weakened by the atmosphere in which he works. Such an underwriter serves his country while he serves his clients, and himself is a smiling prosperer.

THE PENN MUTUAL LIFE INSURANCE CO.
PHILADELPHIA

WM. A. LAW, President

Independence Square

Founded 1847

Protective Success Factors (Number 3 of a Series)

AGENCY SERVICE

Prospective agents are usually impressed by the number of agency services offered by Protective Life.

The list includes home office and agency training schools; radio, newspaper, direct mail, and novelty advertising; effective and timely contests, free circularization of prospects, an agent's magazine, booklets, folders, canvassing material, prepared sales talks, life insurance abstract, personalized policy illustrations, App-a-Week Club, circulating library.

These, plus its complete line of policy contracts on both the participating and non-participating plan; and its retirement plan for agents and managers, are evidence that Protective Life is "The Company of Service and Opportunity."

Operating in Alabama, Mississippi, Louisiana, Tennessee, Texas, Florida, and North Carolina.

PROTECTIVE SUCCESS FACTORS

1. Retirement Plan for agents and managers.
2. Annual convention.
3. Agency Service.
4. Policyholders' Service.
5. Training.
6. Territory.
7. Contract.
8. Conservation.
9. Expansion.
10. Enthusiasm.

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA.

Southern States Local News

Organization Widens Scope

Asheville Industrial Managers' Association Will Now Take in All the Supervising Men

ASHEVILLE, N. C., July 16.—The Industrial Insurance Managers Association of Asheville has changed its name to the Asheville Life Insurance Managers Association in order to broaden the scope of its membership, according to announcement made by C. S. Barden, president.

The Industrial Managers Association was organized in July, 1928, for the purpose of getting greater co-operation between life companies doing industrial business. Fifteen managers and assistant managers were charter members.

There are twelve life companies in the city that do not sell industrial insurance and the change in name of the organization will permit managers of these companies to join and thus permit all life companies to co-operate more closely. New officers will be elected at the next regular meeting.

Present officers are Mr. Barden, manager of Life Insurance Company of Virginia, president; George R. Daniel, manager Durham Life, vice-president; and L. R. Whitlow, manager of the Life & Casualty of Tennessee, secretary-treasurer.

The Life Managers Association is a separate organization from that of the Asheville Association of Life Underwriters.

Collect Taxes Semi-Annually

JACKSON, MISS., July 16.—Pointing out an ambiguity in the insurance laws of 1930, Commissioner Lowry has notified all companies operating in Mississippi that he will collect premium taxes on a semi-annual rather than an annual basis. The date for remittances for the six months from Dec. 31, 1930, to June 30, 1931, was set as Aug. 15. As a result of this decision, backed by an opinion from the attorney general, the state treasury stands to receive in August approximately \$325,000 in collections that otherwise would be postponed for another six months.

None of Greer's Bills Pass

MONTGOMERY, ALA., July 16.—With the adjournment of the legislature only a few days off, it appears now that practically all of the measures sponsored by Superintendent Greer will fail to pass. Several are on the calendar but with the limited time ahead, it seems that the solons regard other legislation, particularly that relating to finances and taxation, more important and the chances are that the insurance bills will be lost in the final scramble. Among them is the bill regulating group life insurance; another regulating and defining life insurance; another providing how insurance companies shall make their investments.

It is quite possible that the bill prohibiting the writing of contingent endowment insurance will pass with an amendment satisfactory to the companies heretofore handling this kind of business. The amendment allows a prescribed time for the completion of pending groups.

New Oklahoma Laws Effective

OKLAHOMA CITY, July 16.—Among the laws that became effective in Oklahoma July 10 was one providing that mutual benefit companies operating in Oklahoma shall deposit \$10,000 securities with the insurance department before license can be granted. Another permits life insurance companies to

Visual Selling —a reality

Through visual selling Bank Savings Life agents have been able to tell the true story of life insurance — and to tell it convincingly. Impressions through the eye outlive the spoken word. Such salesmanship becomes a well-ordered scientific process.

PROVED IN THE FIELD BY

Bank Savings Agents

The volume of insurance produced by our agents month in and month out demonstrates the soundness and desirability of "Visual Selling." Why not ask for more complete information about The Bank Savings Life methods and agency helps.

TOOLS to help you SELL

- 1 Pre-Approach Plan
- 2 Canvassing Portfolio
- 3 Illustrated Brief

Write to

GEO. L. GROGAN
Vice-President

In Charge of Agencies

The Bank Savings Life Insurance Company

Topeka

Kansas

write contracts up to \$10,000 without medical examination.

All-States Enters Virginia

The All-States Life of Montgomery, Ala., has entered Virginia and organization work is now in progress. R. A. Craighead, superintendent of agents, has made a contract for the Richmond area which will be announced shortly. N. T. Payne, formerly in southeast Alabama, will handle the upper Shenandoah valley with headquarters either at Harrisonburg or Winchester.

Fidelity Union Agency School

The Fidelity Union Life southwest Texas agency under E. O. Smith held a very successful school of instruction in San Antonio.

R. F. Young, Jr., and L. C. Bradley, vice-president and agency manager, and Earl B. Smyth, vice-president and treasurer, attended from the home office and gave the principal addresses.

Receiver for Texas Company

AUSTIN, TEX., July 16.—The district court here has on petition of Attorney General Allred appointed D. J. Pickle of Austin receiver for Sam Houston Mutual Life of Waco. The petition alleged that the company had ceased to do business and that it had outstanding indebtedness without sufficient funds to meet it.

Opens New Texas Offices

The Mid-Continent Life of Oklahoma City has opened a new office in the Fisk building, Amarillo, Tex., to give better service to policyholders in Texas Panhandle. A similar office has been opened in the Alamo National Bank building, San Antonio, with E. A. Christian, home office representative, in charge.

Jefferson Standard Men in Texas

Ralph C. Price, Jefferson Standard Life superintendent of agencies, and H. T. Childre of Dallas, superintendent of agencies west of the Mississippi, visited San Antonio last week and were the guests of Manager O. P. Schnabel and the agency staff at a luncheon.

News of Pacific Coast States

See Presumption of Suicide

Montana Supreme Court Hands Down Decision in Case of Person Who Took Strychnine

The Montana supreme court in the case of Nicholls vs. New York Life, handed down a decision in a case where the company contested a death of a policyholder resulting from suicide by taking strychnine. The plaintiff testified that on the day of his wife's death an altercation took place between him and his wife. He left and stayed away all day. His wife died in the meantime. The supreme court holds that there is nothing in the records tending to show that strychnine was taken by accident or mistake. The court says:

"Plaintiff's contention is that there is a presumption against suicide and in favor of accident. While this is not one of the presumptions specifically mentioned in our statutes, the adjudicated cases abundantly support the contention that such a presumption exists. But the presumption against suicide must give way to evidence to the contrary where it all points to suicide as the cause of death with such certainty as to preclude any other reasonable hypothesis. And when the evidence points overwhelmingly to suicide as the cause of death, the question becomes one of law for the court and not a question

to be submitted to the jury. The evidence points unerringly to suicide as the cause of death. The court erred in denying the motion for directed verdict.

Hepfer Opens Office

R. H. Hepfer, recently appointed assistant superintendent of agencies for the New World Life, has returned from a visit to the home office at Seattle to establish headquarters in Oakland. An office probably will be opened in San Francisco within a few months, after which he will make his headquarters in that city. Mr. Hepfer was formerly assistant manager of the Travelers in San Francisco and more recently was in charge of the life department of the company in the East Bay territory. He has taken an active interest in life association affairs and at the time of his transfer to the East Bay was serving as secretary of the San Francisco Life Underwriters Association.

Bankers Life Men in Denver

Three officials of the Bankers Life of Des Moines were in Denver last week holding an agency conference for the Colorado district, of which W. A. Scroggs is agency manager. The visitors were J. A. Spargur, assistant superintendent of agencies; John Grimes, assistant advertising manager, and J. P. Lorentzen, assistant counsel.

New Mexico's Record

Commissioner Fernandez of New Mexico reports that life insurance companies collected premiums totaling \$3,187,090 in that state during the fiscal year just ended and paid out \$1,171,829.

Insurance companies of all kinds paid the state in fees and taxes a total of \$156,923 during the year. This is about \$6,000 more than during the previous fiscal year.

ACCIDENT—HEALTH

Hobbs Rules Out Restrictions

Won't Allow Use of Policy in Kansas Not Covering Disease Contracted Prior to Effective Date

TOPEKA, KAN., July 16.—The Kansas department has refused authority to a company writing health and accident business to use a policy in this state which provides that the holder cannot collect if he becomes disabled from any disease contracted previous to the effective date of the policy.

"We believe the companies ought to pay and have so directed them and we refused to permit one company to issue a policy of this type in Kansas," Commissioner Hobbs said. "None of the companies have claimed that the policyholder failed to disclose his condition or stated any untruths in the answers to the questions on the application blanks. Everyone realizes that a man may have had some disease of long standing that did not develop to the point of medical attention or disability when the policy was written. In most instances the policyholder did not know he had the disease. He was buying insurance against any contingencies."

"This department is of the opinion that this is not a valid reason for refusing to pay claims for disability. We would like to have one of these cases taken into court and a decision announced. None has been tried in the Kansas courts."

Breskin Sterling President

L. A. Breskin, who has been secretary of the Sterling Casualty of Chicago since its organization in 1929, has been elected president to succeed A. L. Rosenthal, who has retired. Mr. Breskin

Annuities

Insurance

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

INDIANAPOLIS

Old Line Legal Reserve

Established 1858

HERBERT M. WOOLLEN, President

Guaranteed
Benefits

Guaranteed
Low Cost



Independence

Today, more men than ever before are creating estates through Mutual Benefit life insurance. These men know nothing of the old time "penny-pinching" methods of saving. They have that certain confidence that comes from having definite resources behind them — a reserve that can be depended upon to help meet future contingencies.

The Mutual Benefit's eighty-six years of successful estate building is inspiring men everywhere to achieve independence through life insurance.

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In 1931

Be the outstanding
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OUR SERVICE
WILL HELP YOU

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

More Than Two Billion Dollars of Insurance in Force

Entering its Twentieth Year--

THE Company in an expanding mood, having held its own during 1930, is strong to move forward. To all the standard forms have been added:

A Family Income policy, a group of Juveniles, Retirement Annuity, and Convertible Term to Age 65. Beginning about March 1, Accident and Sickness Insurance will be written in connection with life policies.

The Company has under consideration plans to enter Colorado, Nebraska, Iowa, Minnesota, Illinois, Indiana and Michigan.

Here is preferred opportunity for the working life insurance man.

CALIFORNIA STATE LIFE INSURANCE COMPANY

J. ROY KRUSK, President
HOME OFFICE:

JAMES L. COLLINS, Supt. of Agencies
SACRAMENTO

has been the active insurance man in the organization. The Sterling features the penny-a-day accident and two-penny-a-day health policy. In addition the company issues a full line of commercial policies. It has 60,000 policyholders on the penny-a-day, over 4,000 on the two-penny-a-day health policy and more than 3,000 on the combina-

tion three-cent accident and health. Mr. Breskin was an assistant bank cashier until 1922, when he became an agent of the Equitable Life of New York in Chicago. He was a soliciting agent for two years and then was made assistant manager and remained in that capacity for five years until he founded the Sterling Casualty.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and April respectively. PRICE, \$4.00 and \$2.00 respectively.

Takes Non-Medical Business

New York Life Is Allowing Its Agents to Write Policies Without the Examination

The New York Life started on Monday of this week to write non-medical business. It announces that \$2,000 is the limit that will be granted to any applicant who has not been examined and received a standard policy since June 30, 1928. Applications will be considered on men and women from ages 15 to 50. No term plan or family income can be obtained without exami-

nation. Policies will only be written on the semi-annual or annual premium payment plan. Policyholders that have been examined and received standard policies since June 30, 1928, may receive more than \$2,000 under certain restrictions. This special program will close Sept. 12.

Provident Life & Accident

The Provident Life & Accident has eliminated from its life policies the aviation exclusion clause, operative during the first policy year. The elimination is effective only on policies issued after June 1 of this year. It is not retroactive as to policies issued prior to that date and still less than a year old.

NEWS OF LIFE ASSOCIATIONS

Start 1932 Convention Drive

San Francisco Launches Organization to Land Next Meeting of National Association

SAN FRANCISCO, July 16.—San Francisco will act as host to the 1932 convention of the National Association of Life Underwriters if "pep" and real enthusiasm backed by hard work and a strong organization and financial background can win this honor. At an organization meeting, at which President Ben F. Shapro acted as host at a banquet to officers, executive committee men and the advisory cabinet of past presidents of the organization, definite plans to actively back up the invitation of San Francisco were formulated, with O. L. Zeus, Travelers, first vice-president of the San Francisco Association, and T. A. Cox, Northwestern Mutual, president of the East Bay (Oakland) association, in charge. E. H. Lestock Gregory, Aetna Life, heads the finance committee, composed of members from both associations. A. J. Hill, State Life of Indiana, was made chairman of the endorsement committee and Walter Robison, Penn Mutual Life, heads the budget committee.

A. S. Holman, Travelers, vice-president National association, said "the convention ship has been launched" and urged the crew to work unceasingly to see that the invitation is accepted and that the associations in this district present to the National association the finest convention ever held.

Shapro Announces Objectives

President Shapro's first objective is to double and later redouble the present membership. An innovation under the present administration is to be the projection of monthly association programs for at least six months, and of such nature that they will be of interest and benefit to the average underwriter. Other innovations are the establishment of a life underwriters training course under the direction of Gerald F. McKenna, Penn Mutual Life, vice-chairman of the educational committee; the formation of a speakers bureau under the direction of Dr. E. L. Woodruff, Manhattan Life, and the suggestion that at least one public library in San

Convention Host



ROBERT N. WADDELL

Robert N. Waddell, newly elected president of the Pittsburgh Life Underwriters Association, will by virtue of that selection be the official host at the meeting of the National association in September.

A graduate of Bucknell University, Mr. Waddell entered life insurance with the Connecticut General Life in 1922, remaining there five years. In 1927 he resigned to join the Massachusetts Mutual Life in the H. W. Abbott agency and last March was made sales manager of that organization. He has served on the membership committee and as a director of the Pittsburgh association and has been a prominent factor in its growth. He is equally well known in college athletics, having served for ten years as head football coach at Carnegie Tech.

Francisco have a complete insurance library. Alexander Z. High, Jr., Guardian Life, is chairman in charge of the library work. W. J. Lennox will have

charge of the C. L. U. work which will commence again Sept. 3 in conjunction with the University of California extension division.

H. C. Donnels, Equitable of New York, and R. H. ("Bill") Mouser, Penn Mutual, were named personal counselors to the president, newly created positions.

* * *

Northern New Jersey.—Before retiring as president of the Northern New Jersey association, C. J. Schnitz appointed a committee consisting of C. E. Hooper, Massachusetts Mutual Life, chairman; H. C. Lawrence, Lincoln National; W. A. Noltie, Aetna Life; E. D. Finch, Sr., Missouri State Life, and J. F. Shindell, Provident Mutual Life, to make a survey and analysis of the part-time agent problem in New Jersey. The problem has been growing in seriousness for the past few years. The butcher, baker, plumber and others are being appointed part-time agents and life underwriters claim it is hurting their cause.

* * *

Oklahoma.—Chairmen of standing committees of Oklahoma association are announced by President J. A. Wood as follows: R. H. Carter, Connecticut Mutual, executive committee; G. C. Summy, Phoenix Mutual, program; E. Guy Owens, Mutual Life of New York, educational; J. O. Mattison, State Life of Indiana, legislative; Marmaduke Cor-

byn, Central States Life, attendance committee; J. H. Johnson, National of Vermont, finance; G. L. Goldstandt, Equitable of New York, publicity; B. L. Bowens, Home Life, speakers' bureau; A. C. Wood, New York Life, reception.

* * *

Mississippi.—Resolutions commanding the National association for attaining highest membership in its history were adopted by the Mississippi association at the monthly meeting in Jackson. President E. H. Hix, general agent Mutual Benefit Life, announced that J. N. McLean, general agent Penn Mutual, was the only member making application for membership in the Million Dollar Round Table Club.

* * *

Mobile, Ala.—The Mobile association at its last meeting expressed appreciation to the chamber of commerce and other civic interests that helped defeat a bill levying a 6 percent premium tax on all insurance written in Mobile. C. G. Taylor and C. F. Crestwell, representing the Association of Life Presidents, were present and reported that the bill had apparently been indefinitely postponed.

The association went on record as endorsing T. M. Riehle of the Equitable Life, New York City, for president of the National association. New directors elected were: Ben H. Walker, L. D. Dix, E. S. Patridge, C. W. Moss, J. B. Crawford and Charles L. Sullivan. J. C. Montgomery, newly elected association president, presided.

Asks Sale Only of Premium Waiver

(CONTINUED FROM PAGE 1)

these reserves are calculated. The mortality among disabled lives being much lighter than was anticipated, the payment of disability annuities is correspondingly heavier. This is a situation that would not be changed by limiting the clause. If new tables reflecting a lower mortality among disabled lives should be adopted as a basis for such reserves, immediate further increases in premiums would be necessary, and there is no certainty that they would be sufficient to cover future experience.

Good Will Jeopardized

"(3) If the volume of annuity disability benefits is increased, the company will be compelled increasingly to reject disability claims and to discontinue payment of annuity benefits, on account of the increasing number of unjustifiable claims, with harmful effect on policyholders' good will toward company and agents.

"(4) Other companies have announced the adoption of stricter underwriting rules for annuity disability benefits and have advised their agents to write only the waiver of premium benefit, as it can be considered on a more liberal basis, and to abandon the use of disability benefits as an argument or inducement in the sale of life insurance.

"(5) It is impossible to justify the continuation of a practice known to be unprofitable. It will not be our policy to wait for the action of other companies in arriving at a solution of the problem.

Drastic Restrictions Up

"A solution by drastic restrictions of the benefit has been suggested, including reduction of the benefit to \$5 per thousand of insurance; increase of the proportionate premium by approximately three-fourths; reduction of the maximum age at issue to age 50; limitation of the coverage to age 60; and increase in the waiting period to six months.

"The company does not consider that restricting the benefit in this way will afford a satisfactory solution.

Difficulties Would Remain

"There is no certainty that such changes would be sufficient to prevent losses of the sort mentioned in paragraph (1). They would not affect those mentioned in paragraph (2).

"They would so limit the clause as to amount, coverage and cost as to make it unsatisfactory to agents and insured; so restricted a clause would appeal only

to poorer classes of disability risks. They would not eliminate unjustifiable claims.

"They would not eliminate difficulty and embarrassment to the company and dissatisfaction to the insured in determining the existence and persistence of disability, or in the adjustment and settlement of claims.

"A solution might be attempted by the adoption of stricter underwriting rules. The consequences of such an action would be unsatisfactory to all concerned—company, agents, and applicants. Because of the difficulty of appraising the disability risk, the company might find that losses would still continue, and unjustifiable claims would still be made; agents would find it unprofitable to solicit insurance with annuity disability benefits; applicants would not understand why the benefits should be declined and would blame the agent and the company.

"Pending the determination of a practical solution of the problem, our representatives are strongly urged to write the waiver of premium benefit in preference to the annuity benefit wherever possible, and to request annuity benefits only for applicants who are first-class with regard to physical condition, occupation, finances, family history and personal qualifications."

Will Carry Out Goss' Plans in Security Field Work

Vice-president John H. Edwards of the Security Life of Chicago, who becomes superintendent of agents, will carry out the plans of the late Vice-president S. W. Goss in agency organization and production. The agency convention will be held at Mackinac Island, Aug. 29. Mr. Edwards' former work was in the investment department. He became active in the organization of the Kansas Life, later becoming superintendent of agents and then president. It will be necessary for him to spend most of his time in the office. M. L. Sherwin, assistant superintendent of agents will continue the field work as he has in past. Mr. Edwards is a careful student of life insurance and is well liked by the producers.

Pacific States Record

The Pacific States Life of Hollywood closed the first half year with an increase of approximately \$1,000,000 of issued new insurance over 1930. Insurance in force is now in excess of \$45,000,000, with annual premium income, life and accident, of \$1,500,000, and assets of \$7,008,078.

Rated

Excellent



"MANAGEMENT" means "PEOPLE"

Behind the "A" Rating accorded Pilot Life by the Alfred M. Best Company are the kind of folks you'll like to know and work with.

After all, *Management means People*

PILOT LIFE INSURANCE COMPANY

Measured by Net Results

Truest gauge of a Company's rate of progress is its ratio of gain in insurance in force to total in force.

Applying this measuring-rod to the 1930 record, The Guardian ranks *first* among the 24 leading life companies licensed in New York State, having a half-billion or more insurance in force.

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INVESTMENT
"It will revolutionize Life Insurance selling" says one Company President. Exclusively and completely developed only in the New Training Course, "The Essentials of Life Underwriting," by Abner Thorp, Jr., Published by The Diamond Life Bulletin, 428 East Fourth Street, Cincinnati, Ohio.

Security Life Gets Commission's O. K.

(CONTINUED FROM PAGE 3)

that the papers herein be placed in file for ended causes."

The Inter-Southern report recently published was entirely favorable to the company, indicating a strong financial position with \$750,000 free surplus and \$575,028 in contingent reserve. The Northern States Life report has not yet been published, but it is indicated that the result will be favorable.

In giving the decision, the commission announced that the Corcoran report would not be released for publication because the alleged impairment embodied in it purported to show an unfair value of the Inter-Southern and Northern States Life stock at least \$1,000,000 below the actual and approved value.

Prejudice Claimed

Counsel for the Security Life introduced evidence to show that Mr. Corcoran had solicited employment as a special examiner in the case, and that having failed in overtures to be retained when Security Life obtained Inter-Southern Life, his firm became disgruntled. Mr. Corcoran indicated a difference of opinion, asserting that he was retained by the commission as a special examiner without solicitation by himself or anyone associated with the Wolfe firm.

Counsel for Security

Legal representatives of the Security at the hearing were C. C. Carlin, Alexandria, Va.; J. K. Simmons, Washington; A. S. Lytton, Chicago, and Ernest Woodward of Louisville, general counsel for Inter-Southern Life.

The company was fully prepared to substantiate its contention that its capital structure was not in any sense impaired, having among its witnesses several men prominent in insurance circles, who admittedly were friendly rivals though tardy in the Inter-Southern pre-sale negotiations. Only five of the witnesses, however, were introduced, each of whom qualified before the commission as experts on insurance matters. Those introduced were C. G. Revelle, St. Louis attorney, former Missouri commissioner, and a former member of the supreme court of Missouri; Massey Wilson of St. Louis, a former insurance company executive, with extensive experience in the evaluating of insurance companies, now receiver for the International Life; W. R. Baker, ex-commissioner of Kansas, now a practicing attorney of Kansas City and Chicago; A. M. Haight, Omaha manager of the Indianapolis accountancy firm of Haight, Davis & Haight; and J. A. Froggart, of J. A. Froggart & Co., New York accountants.

Revelle's Valuations

Judge Revelle estimated the value of Inter-Southern stock at \$2.40 a share, and that of Northern State's stock at \$82 a share. He presented a clearly defined opinion that Security Life was further strengthened through Inter-Southern's ownership of 30 percent of Missouri State Life's stock, and that Missouri State Life, in turn, owned the Southwestern Life of Dallas, Texas. Both of these companies, he stated, are fine properties, excellently managed. It was his conviction that the Inter-Southern's connection with the Missouri State Life was sufficient to be dominant in actual control of Missouri State any time it chose to exercise such option and take possession.

Tribute to Management

In tribute to the abilities of Machir Dorsey, president of Security Life, Judge Revelle characterized him as a capable insurance executive, and said that since Security Life's acquisition of the Inter-Southern, commendable changes had been effected resulting in savings and economies of between \$300,000 and \$400,000 in the Inter-

Southern management and operation, and that an admirable degree of enthusiasm was now reflected throughout the entire home office and field organization of that company. He pointed out that the department examinations which had apparently served Mr. Corcoran as a guide for the check-up at the present hearing were made entirely with a view of providing a simplified and understandable statement for policyholders' perusal and not for the financially trained mind of the stockholders. In summarizing his findings, Judge Revelle took into consideration the value of so-called non-admitted assets. In determining the stock value, he believed these should be given a fair appraisal and included as assets the same as any other tangible property of the company.

Massey Wilson's Figures

In determining a value of \$1.98 on Inter-Southern stock and \$81.30 on Northern States, Mr. Wilson detailed the extensive calculations of the formula used. In his conclusions, like those of Judge Revelle, the Inter-Southern investment in Missouri State was regarded as excellent. He also considered both the Inter-Southern and Northern States Life as companies of outstanding stability, with aggressive development programs that assure a bright future for each.

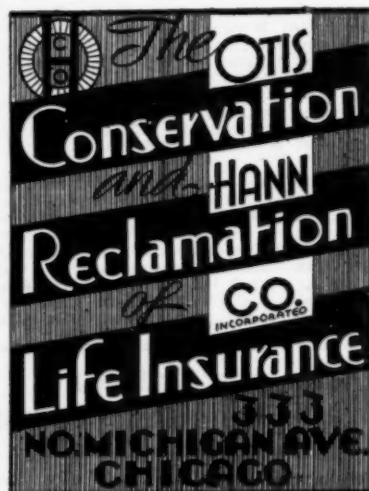
Mr. Baker arrived at a valuation of \$2.31 on Inter-Southern, and \$83.34 on Northern States, explaining that his appraisal was the value at which he believed the two blocks of stock could be readily sold. In his opinion, the value of these stocks owned by Security Life was \$1,610,400 more than the value fixed in the Corcoran report. Both Mr. Froggart and Mr. Haight confined their appraisals to Inter-Southern valuations, arriving at \$2.50 and \$2.03, respectively, each believing the figure to be the fair market value.

Security Officials Gratified

The renewed assurances of confidence and the official endorsements of Security Life's aggressive development program are gratifying to the officers of Security Life and at the company's executive offices in Chicago there is an atmosphere indicating uninterrupted progress in all departments of their organization.

WANTED PRODUCER

Chicago agency big well known Eastern life company has available private office with all equipment and service for man who will produce quarter million up annually. If interested answer quick. Address T-85, The National Underwriter.



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LIFE INSURANCE can be explained in plain, everyday language. The facts can be simply stated. People need to be told about life insurance by one who knows life insurance and its adaptability. Salesmen of integrity, ability and courage who will work systematically and plainly state the facts of life insurance service will be Masters of their craft and successful.

THE MUTUAL LIFE of New York, with its long history of increasing success, offers opportunity. It writes Annuities and all Standard forms of life insurance. Disability and Double Indemnity Benefits. It has many practices to broaden and expedite service for Field Representatives and for Policyholders.

Those contemplating engaging in life insurance field work as a career of broad service and personal achievement are invited to apply to

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CHARLES C. THOMPSON

Charles C. Thompson for president of the National Association of Life Underwriters was unanimously and enthusiastically endorsed by the executive committee of the San Francisco Life Underwriters Association at a meeting July 10.

Mr. Thompson is manager at Seattle for the Metropolitan Life and is now serving as first vice-president of the National association. He is being given strong support by the coast associations generally. It is regarded as practically certain that San Francisco will get the National association convention next year and it is felt that it would be particularly appropriate to have a Pacific Coast man at the head of the organization at that time.

There are already six other candidates in the field, C. Vivian Anderson of Cincinnati, Elbert Storer of Indianapolis and the four from New York City.

More Claims in Abnormal Times

(CONTINUED FROM PAGE 3)

of his doctor when he tells him to take it easy for a year, to do nothing but rest and play golf. With an insurance company obligated to pay \$1,000 a month or so, it is quite easy to lead a carefree existence.

New York and other large cities are by no means the worst from the disability claim point of view, Mr. King has found. He has found it to be a general rule that wherever the standard of living is low is the place to watch for malingerers and fraudulent claims. Certain southern states are among the worst offenders in this respect. A recent survey shows that out of nearly 500 claimants in one state who were drawing disability benefits, fully half were capable of working at their regular occupations and yet it was impossible to stop payment in more than 50 cases.

Not only is the standard of living lower in many smaller communities, but it costs less to maintain the same standard than it would in a large city. The result is that a man living in some small community may be over insured if he has provision for only \$75 a month disability income.

Companies usually do not worry much about their smaller claims, but Mr. King says it is amazing the number of policyholders who will malinger in order to collect \$10 a month insurance. Some companies avoid this difficulty by refusing to issue disability coverage for less than a certain minimum, say \$30 a month.

Cooperation between companies is vital, not only in underwriting but also

in investigating claims, Mr. King says. A policyholder who is drawing \$100 a month disability benefit may appear bona fide, but when it becomes known that two other companies are also paying him \$100 a month, the case would appear to warrant the most careful investigation possible. Cooperation in underwriting is extremely necessary or the precautions of one company not to overinsure may be nullified by some company going on the risk later and increasing the protection until it amounts to overinsurance. A great need, Mr. King says, is more careful underwriting from a health and accident point of view, as it does not necessarily follow that because a man is a good life insurance risk, that he is also a good disability risk. This fact has been recognized by a number of companies that have taken on accident and health men and put them in important positions in their disability departments.

Sights Trained on Life Insurance

(CONTINUED FROM PAGE 1)

tree surgeons, who are constantly driving home the idea that their representatives know their business thoroughly. He also believes that insurance advertising often has a tendency to be negative in character and that perhaps the advertising business, because of its detached point of view as compared with the life companies, may be able to get up advertisements which will produce the desired positive effect.

National, Vt., Men in Three Day Meet

(CONTINUED FROM PAGE 5)

able for the salesman to emulate. Integrity, industry, method plus thoroughness, knowledge, tact, courage with vision, humor, and a perpetually alert mind—all these qualities of Franklin's, he declared, were necessary for the ideal salesman.

"Nineteen Thirty-one Prospecting" was discussed by T. L. Terrell of Cleveland and E. C. Young of Chicago. "What we need is more determination to do rather than processes for doing it," said Mr. Terrell, reminding his hearers that 85 percent of the workers of the country are still employed, despite the depression; while Mr. Young recommended the use of direct mail, the purchase of lists of prospects, and declared that "a Packard car with a back seat full of children should cause an agent to write down a few figures."

R. O. Bickel of Cedar Rapids reviewed his confidential estate analysis plan. Wm. F. Williams of Meadville commented on "The Value of a Prepared Presentation," which he compared to a burning glass, in that it gathers the rays of enthusiasm and warmth, which ordinarily would be scattered, and concentrates them on one small spot—the dotted line.

Wm. McDaniels, leading salesman in the New York Baker-Shaw agency, discussed "The Value of Checking Up." He confessed that at the start of his insurance career he had tried to prove that the well-known rules for a life insurance salesman's success were "bunk," but had found, to his surprise, that they would work, and that the only way an agent can succeed is through a definite, pre-determined plan of action.

"The Importance of Character in the Life Insurance Business" was the title of Vice-president Thomas' address, and he dwelt on the need of character in the management of funds, in the selection of risks and in the sales end of the business.

In his talk, "National Equipment," Mr. Field reviewed the company's dealing with policyholders. He also announced plans for broadening its service to agents during the company year, and spoke of the three popular policies recently issued—the graded premium life, the family income policy, and the insurance with income contract.

SIXTY YEARS of PROGRESS
1871 1931

Statement for 1930

New Assurances Paid for.	\$ 705,678,000
Total Assurance in Force.	2,863,701,000
Surplus and Contingency Reserve	36,532,000
Assets	588,733,000
Liabilities (including Paid-up Capital Stock)	552,201,000

SUN LIFE
ASSURANCE COMPANY
of CANADA

Head Office: Montreal

What Is Your Goal?

Is it to sell life insurance for a company having a reputation of more than half a century of fair dealing? Is it to make a live and let live contract with a company offering close Head Office cooperation, modern policy forms and a successful lead service?

Fidelity is such a company

It operates in thirty-nine states, including New York, on a full level net premium basis. It has more than \$425,000,000 insurance in force, is financially solid and steadily growing.

Family Income Retirement Income
Low Rate Life

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA

WALTER LEMAR TALBOT, President

THE MAN

Who is sold on life insurance protection—Industrial and Ordinary—will have a chance to advance with

THE COLONIAL LIFE INSURANCE COMPANY
OF AMERICA

Home Office—Jersey City—New Jersey

WHICH STATE LOOKS BEST TO YOU?

New Jersey—New York—Pennsylvania—Connecticut

ASSETS—MORE THAN 15 MILLION DOLLARS—INSURANCE IN FORCE—OVER 125 MILLION DOLLARS

AGENCY MANAGEMENT

Bureau Shows How to Ascertain Profits from General Agencies

HARTFORD, July 16.—Suppose a man drew a salary which he deposited each month in his bank account. At the end of the year, his total salary would be determined by the deposits he had made, without reference to the amounts which he might have withdrawn during the year. With these simple terms, the Life Insurance Sales Research Bureau explains the difference between earned profit and net income in its newest message on general agency management. In "Calculating General Agency Profits" the bureau goes on to say that the task of the general agent falls into two broad divisions—personnel management and business management. On the one hand, he manages men, attempting thereby to produce a reasonable amount of good quality business. On the other, he manages money and the factors which produce money or profit, by calling into action those qualities possessed by the "good business man."

Cash Income and Earned Profit

Many general agents fail to distinguish between cash income and earned profit and the bureau offers the following explanation:

"Cash income represents the net value taken out of an agency whereas earned profit is the net value put in. An agency is going ahead financially only when more value is being put in than is being taken out. The money received from renewal commissions, for example, is certainly income, but it is not earned profit for the year in which it is received. It represents the liquidation of a previously created asset. In one instance known to the bureau, a general agent believed that he was 'making' \$40,000 a year from his agency. He re-

ceived that much in cash, but only \$15,000 was earned in the current year, and \$25,000 was the liquidation of a previously created renewal value."

Agency Cost Analysis

The bureau has so developed the subject that it has made available an agency cost analysis consisting of a complete diagnosis of an agency's present financial condition, indicating how to set up improved methods of operation, but also disclosing any existing points of weakness or inefficiency.

The time required for such an analysis is usually three days in an agency and depends not so much upon the size of the agency as upon the condition of its records. The resulting report to the general agent serves the manifold purpose of showing the general agent exactly where he stands, shows him how the study was made and sets a standard under which a competent cashier can secure similar information regularly.

Analysis of Office Efficiency

One important point at which a general agent can influence the value of his business is in connection with his administration of the office force. In order to set standards, the bureau has developed an analysis of office efficiency for individual general agents. This study considers the method of routing work through the agency office, divisions of responsibility and authority, unit production of clerks, office layout, and the like. In conclusion the bureau shows that financial results can be checked from month to month in most other lines of business whereas, in a general agency, the consequences of today's acts persist for many years.

Two Full Time Conservation Men Get Results in Fraser Agency

The Fraser agency of the Connecticut Mutual Life in New York has an extensive conservation program of its own in addition to cooperating to the full with the highly developed system of its home office.

The agency's conservation department, which is in charge of J. F. Toomey, has two supervisors who do nothing but make conservation calls. These calls tie in with phone calls, letters and reinstatement forms from the agency

cashier. The agency has kept its lapse rate considerably below the countrywide average of the more prominent companies in spite of the fact that New York is a notably bad place for lapsation.

It is sometimes argued that it is better for a policyholder with a heavily loaned policy to lapse it and take out new insurance even if the premium will be higher at his attained age, but Mr. Toomey believes that it is always best

for an assured to keep his old insurance in force and pay off the loan in installments, increasing his impaired protection, if need be, by term insurance, which he can decrease as he pays off the loan.

Show Gain in Keeping Policy

Mr. Toomey believes not only in reselling the lapsing policyholder on the same features that he bought the insurance for in the first place, but in giving him definite proof that he is better off keeping his old insurance than buying new.

For example, the premium at age 35 in the Connecticut Mutual for ordinary life is \$26.35 per \$1,000. If the policyholder were about to lapse his contract when the fourth premium came due he could be shown that his net premium of \$20.60 (\$26.35 less a \$5.75 dividend) would raise his cash value from \$31.76 to \$49.77, an increase of \$18.01, so that his protection would cost him only \$2.59 per thousand. New ordinary life insurance would cost him \$28.95 a thousand and even 10-year term would cost him several times as much as the \$2.59 he would be paying for protection if he kept his old insurance in force.

Another feature Mr. Toomey has found to be effective is disability, if the policy was issued prior to July, 1930. Policyholders usually do not know that the liberal rates and provisions which prevailed before that time can never again be obtained under any circumstances. Even if they would just as soon lapse their life insurance and start over with a new contract, they are loath to give up their disability insurance when they realize that it can no longer be duplicated at any price.

Urge Repayment of Loans

The agency cooperates fully with the home office plan of urging upon borrowing policyholders the economic wisdom of repaying their loans as quickly as possible. Another home office system which has met with much success is for policyholders to make advance payments on their premiums, upon which they receive the company's current interest rate of 4.8 percent until the premium comes due. Some policyholders are as much as two to three years ahead on their premium deposits.

In encouraging borrowers to repay their policy loans, the company's circular diplomatically points out the advisability of paying the loan as soon as possible so as to bring the reserve fund back to par and to restore the insurance estate to its full value.

Those who have borrowed are encouraged to mail to the company a coupon attached to the circular after checking off what particular plan they wish to follow in paying off their loans. If the policyholder does not wish to repay all or a large part of his loan, he may check a square opposite the statement, "I desire to take advantage of your loan repayment plan in installments as checked in column at right. Please send me a reminder in months indicated." In the column referred to the policyholder

St. Louis Agent Gets \$99,999 Single Premium

Sam A. Meyer of the Northwestern Mutual Life in St. Louis has just closed a 10-year endowment policy on which he received a single premium totaling \$99,999. The policy was sold to a prominent business man of St. Louis, who has adopted this means of not only creating an absolutely safe estate but also thus obtains diversification of his investments. In addition he avoids the payment of an estate tax should he die prior to the maturity of the policy. At the end of ten years or at prior death the policy will pay \$118,815.

may check any or all months of the year and the amount he desires to pay at each installment.

Repayment suggestions go out with every loan check or on any communication to policyholders in regard to loans and repayments traceable to these printed suggestions have been far in excess of expectations.

The company's plan of encouraging advance payments, usually monthly, to be applied against premiums as they come due, is valuable not only as an extremely effective conservation measure, but also in saving money for the assured.

The company's monthly premium rate is the annual rate plus 5 percent, but if the assured makes his deposits in advance against an annual premium payment he saves not only the 5 percent that he doesn't have to pay on account of being on an annual basis, but also receives 4.8 percent on the money he has paid in. Not only that, but if for any reason the policyholder has failed to accumulate enough in his fund on deposit with the company to meet the full annual premium, it automatically goes on a semi-annual or quarterly basis, whichever his fund will allow him to pay for.

Stokes to Be Consultant

T. M. Stokes, for over two years educational director of the Connecticut Mutual Life, has resigned to engage in private practice as a consultant in sales management.

Mr. Stokes' life insurance experience covers service with the Equitable Life of New York and the National Life of Vermont. He was formerly research director of the American Management Association.

Mr. Stokes will open an office in Hartford and will be retained as educational advisor by the Connecticut Mutual Life and a number of small companies.

Order your National Underwriter life insurance calendars now!

**Today
Our Men
Are Building—**



**A Greater
Security
Tomorrow**

Security Life Insurance Company of America

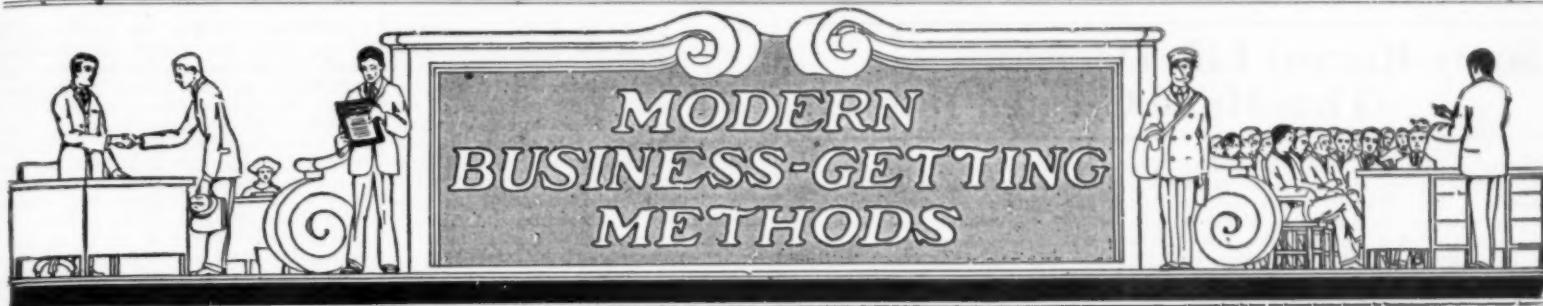
Executive Offices

+

One Thirty Four North La Salle Street

+

Chicago



Annuity Brings Independence and Peace in Twilight Years, Extends Expectation of Life, E. A. Braniff of Tulsa Declares

An annuity makes possible realization of that ideal end to human endeavor described by Luigi Cornaro, Italian centenarian, some 500 years ago in a book on growing old, says E. A. Braniff, Equitable Life of New York man who operates his own agency in Tulsa and writes a large amount of personal business. He is a brother of the well known T. E. Braniff.

The Italian philosopher said that life should go out, not like a smoky lamp in a gust of wind, but like a candle in a still room, when nothing is left to feed the flames. This serenity which comes of consciousness of enough to live on for the few remaining years of life, Mr. Braniff says, prolongs life beyond the normal expectancy and gives a person a feeling that he is still of value to the world.

Mr. Braniff's Agency Forges Ahead Rapidly

Mr. Braniff signed an Equitable contract in 1917 and at the end of 1929 his agency had \$634,675 paid volume and \$27,875 in premiums on the books. His agency is attached to the Homer Jamison agency at Oklahoma City. This is what Mr. Braniff has to say on annuities:

"Have you ever given any thought to the idea of pensioning yourself, of systematically depositing, year by year, sums of money for the latter half of life, when you are no longer interested in scrambling for money, and want to live easily and comfortably, to travel and enjoy a leisured life, to fish or to golf, or to collect books and things?

Elderly Men Fear Poverty Through Wrong Move

"Men do have such ideas, but don't quite know how to carry them out. I am in contact every day with those who have acquired wealth, and almost to a man, if the truth were known, keeping their money keeps them worried. Do you know why it keeps them worried? Because when an elderly man makes a bad play and loses, his chances of beating back are mighty slim. And there is nothing so fraught with poignant tragedy as an old man who has seen better days—unless it is an old woman in the same situation.

"An annuity for old age is not life insurance; there is no medical examination. Anyone can get it, and when people generally know what it is, everyone will want it. Has anyone ever told you that those who own annuities live longer than others? It is a fact. The list shows men of ages from 85 to 100 years old. The reason these old fellows live so long is that they have nothing to worry about.

Compares Annuity to An Elixir of Life

"The annuity they own is the best elixir of life. Release an old man of financial worry and he throws off his cares and walks erect, for he knows that his pension is backed by an institution so old and so enormously strong that nothing conceivable can take it away from him. Go over your own so-called 'investments,' dip up the 'cats and

dogs' in your own safe deposit box and reflect on your wasted years, the 'years that the locust hath eaten.' One of the greatest tragedies of life is that men will invest lightly money that has racked them, body and soul, to acquire.

"Have you ever observed an old man of slender means, or no means at all, living with a married daughter and her husband? He is looked after and his bodily wants supplied. Children are required to respect him, and there is an outward observance of the honor due to age.

Dependence in Old Age Is Humiliating

"But, somehow, it is impossible to cancel the real situation that here is a man whose pride, whose self-respect, is cruelly wounded. This old man has had his day. He was a man among men in his time, and held his own with the best of them, making his living,

rearing and educating his family; but somehow, through bad judgment, or circumstances, he lost his little fortune. And now he accepts, meekly and quietly, the dollar handed him to take the children to the picture show, or the trifles he wants for tobacco and car fare. What guarantee has any of us, no matter how prosperous today, that he will himself not occupy this old man's position?

"Old men like to make little gifts, to prepare little surprises, to show that their voice is still to be reckoned with in the family council. An independent income gives them self-respect.

Flexibility of Arrangement Permits Fitting Individuality

"Annuities may be so arranged as to permit you to pay outright a lump sum of money now, if you have it, and let it lie at compound interest, to be drawn on as a pension when you need it. This is convenient for the man whose income is irregular, but who makes 'deals' now and then and wants to put something by. For others, the annuity may be purchased on the installment plan, like a life insurance policy, but if the going gets rough, later on, and these deposits may no longer be made, the

annuity becomes paid up for a sum in proportion to what has been paid in.

"A further provision may be added, under certain conditions, whereby if a man loses his earning power through accident or sickness, all deposits cease and the annuity begins at once.

Time Comes to Everyone When He Would Like to Play

"All our lives we have been tied down by duties and responsibilities—the cares of family life, the cares of business, the cares that come with preserving intact that little fortune we have built up so painfully and laboriously, and which is on so precarious a footing that any year it may be diminished or altogether swept away. There comes a time in life when we would like to play a little, to get away from all this care and responsibility.

"Have you ever been to Florida or California in the winter, and noticed what a lot of old men there are who have fled to its mild climate from the northern cold? They flock to seaside resorts, to fish or bathe, or sail a boat, or drive among the orange groves.

Checks Follow Annuitant Wherever He Journeys

"If you would like to feel you could let down some day, before you broke down, and spend your old age leisurely in travel and study, or simply in play, I recommend that you begin by purchasing a deferred annuity. It has the advantage of being absolutely safe, and as regular as the seasons. You may go anywhere the mails carry, and if you will leave your address behind, your check will be awaiting you on the first of every month, until your executor advises the insurance company that you are no longer alive to endorse it.

"You need never look at a financial statement. You need never care what the stock market quotations are. The institution in which you have invested your funds is in itself a guarantee of your perpetual solvency. The first duty of every man is to protect his family. His next duty is to look out for himself. We are all sorely burdened with suggestions of what we owe to our families. Let us pause to consider what we owe to ourselves.

Outlines Duties Which Person Owes Himself

"We owe, first of all, the duty of seeing that our families do not have to support us in our old age. Every generation, the garrulous, poverty-stricken nonentity in the kitchen corner—no man but would avoid that all-too-common lot.

"My company will provide you with a purse which, magically replenished every month of every year so long as you live, will, on your death, be forever empty—unless you have died too soon. The golden eggs will have vanished with the goose which laid them. There will be no one standing around waiting for the old man to die so as to have his goods, because that part of his goods represented by his annuity goes with him."

Edward A. Woods' "Sociology of Life Insurance" presents fully the vital problems of life insurance for constructive good to such major social problems as poverty, disease, crime, old age dependency, inadequate education, unemployment, needless waste of life and estates, and effective philanthropy. Price, \$2.50. Order from The National Underwriter.

Baldwin Office Uses Jaqua Plan

The Baldwin general agency for the Northwestern Mutual Life at Washington, D. C., is one of three agencies for this company to show a steady increase in the production of life insurance each year for the past five years. The production shown for the first six months of 1931 exceeds that shown for the same period in 1930 by almost \$500,000.

According to a statement by A. L. Baldwin, general agent, an outstanding factor in the continued success of the agency has been the adoption of the organized presentations developed by Abner Thorp, Jr., of the "Diamond Life Bulletins," published by THE NATIONAL UNDERWRITER, and presented at agency gatherings all over the country by A. R. Jaqua, associate editor of the Diamond Life Bulletins.

"The Jaqua idea known as 'Life Insurance, the Finance Plan,' has been used by this agency, and a lion's share of credit for the successful results shown by us must be given to the careful study and the complete adoption of this splendid idea, that people own insurance and do not carry it," Mr. Baldwin stated.

Solicitation Started After Training Course

The special agents are all carefully trained by Philip Baldwin, salesman supervisor, and a training course is completed before solicitation is started. In this course stress is placed on form presentation and time control, with careful attention given the Jaqua plan. This course completed, the subject is classed as a junior salesman with a quota set for his first year's production. When this quota is reached he becomes a senior salesman. The Baldwin agency has 18 senior and seven junior salesmen.

This agency believes in youth for salesmen, and the enthusiasm and drive shown by young men when properly trained. To emphasize this point, its officers show that 46 percent of the insurance written for the year ending June 1, 1931, was on cases between the age of

20 and 29 years. Credit for this is given to young salesmen.

A recent incident illustrates the importance attached both to the Jaqua plan and to the presence of youth in the organization. A contest just held by the agency for the presentation of the Jaqua plan was won by one of the young salesmen, F. G. Clandaniel, 27 years old, and in his first year in the insurance business. In this contest the general record for daily solicitation and the amount of sales were also taken into consideration. Each counted for half. The prize offered was a trip to the annual convention of Northwestern Mutual Life in Milwaukee, where the winner will present the Jaqua plan before that body. The winner of the second prize will also be given the trip to Milwaukee and act the part of the prospect in this presentation.

Three Requirements for Men in Baldwin Office

There are three duties required by the Baldwin agency of all agents: (1) Time control, the absolute planning and proportioning of time for the coming day. (2) At the end of each day a complete report as to the time spent for the day must be turned in to the agency supervisor. (3) Form presentation of the conception of insurance developed by Mr. Jaqua.

The benefits resulting from these requirements have been manifold. They have aided especially in the correction of faulty solicitation and in holding the agency and its agents in close touch with each other, so that the organization may function as a unit.

Mr. Baldwin feels that enthusiasm, an air of business well being and purpose maintained in the agency counts decidedly for the record shown. The morale of an office personnel is always reflected in business done, and cannot be stressed too highly as a factor for success, he says.

Some Recent Life Decisions That Have Created Interest

There have been some interesting legal decisions on life insurance cases recently. The United States circuit court of appeals, tenth circuit Oklahoma in Exchange Trust Company vs. Capitol Life, had before it the question of non-payment of a premium note. The trust company was executor of the estate of J. C. Johnson. The second premium was adjusted Sept. 11, 1926, by cash payment covering term insurance for two months. A note that day for the balance due in 60 days was taken providing that if it should not be "paid when due, it is not to be considered as payment of premium and the policy on account of which the note is given will become forfeited and void."

Note Was Not Paid

The note was not paid. The note and payment were forwarded to the Denver office for entry on its books and then sent to the Oklahoma office with an unsigned receipt form. The wife of the agent at Oklahoma City and his cashier, without advising the Denver office, mailed an unsigned notice to the assured. It contained a request for payment of the note and for advice as to reinstatement of policy, which was dependent both on the premium payment and the evidence of insurability. The executor contends that the retention of the note and request for payment waives forfeiture of the provision of the policy which stipulates that some designated officer shall have sole authority to modify the contract.

Notice Was Insufficient

The higher court held that the notice was insufficient to waive the forfeiture of the policy. The lower court ruled there was no reinstatement of the policy. The company wrote the assured enclosing for the purpose of reinstatement, blank forms for his report and an examination by his physician and stating that upon receipt and approval and payment of the note, the company would give the reinstatement its attention. If payment was inconvenient he could remit \$500 on account and the note would be renewed to April 11, 1927. He sent the company a draft for \$500 and application, consisting of his own report and that of his physician. The letter was received Feb. 26. Johnson died two days later. On March 2 the company addressed a letter to him saying that its medical board requested examination by another doctor. A few days later it learned of his death.

Details for Reinstatement

In order to secure a reinstatement of the policy an application to reinstate and an acceptance thereof were necessary. These essentials were not shown in this case, says the court. A mere retention of the application was not suf-

ficient for the purpose. The company was put in the possession of the application and draft as an attempted compliance with the requirements imposed. There was no occasion for a return of them pending negotiation and the assured did not ask it. There was no undue delay in returning the draft. It was held only two days before his death. Its retention thereafter was not prejudicial as in that period compliance with the condition of reinstatement was impossible. Judgment for the defense is affirmed.

* * *

CONDITION OF BANKRUPT'S POLICY

The United States district court of the southern district of Florida in re Taylor takes up the condition of a bankrupt's policy. The case came up for review on the decision of the referee wherein he held the cash surrender value passes to the trustee and is not exempt to the bankrupt. The court says that it is well settled that if there is a valid state statute exempting cash surrender, it does not pass to the trustee. The Florida legislature in 1925 enacted a statute exempting such cash surrender in section 7066, Compiled General Laws. The referee, however, decided that this section is unconstitutional. The higher court holds that section 7066 has never been before the Florida supreme court but that court in construing section 765 held that sec-

tion 1 of article 10 of the constitution is not exclusive and is not a limitation on any and all statutory exemptions in property of any kind. As the higher court is bound by the decisions of the Florida supreme court on this question, it must hold that there is not any constitutional inhibition against the legislation providing for exemptions in addition to those provided for in the constitution, for which reason the referee's decision is reversed.

* * *

PART PAYMENT OF PREMIUM

The Ohio court of appeals takes up a question where part payment of premium is involved, in the case of Allen vs. Register Life. Feb. 14 was the annual due date. There was a one month's grace period allowed. The annual premium was \$68.24. On March 13 the assured forwarded his check for \$30.17 stating, "I will send the balance in a few days." This check was received March 15, which was within the grace period. The company stated that it would wait a few days for the balance. It wrote several letters asking for the balance. On May 7, the company was notified of the assured's death. The executor sought to recover the principal sum. The trial court rendered judgment for the company because a part payment was insufficient to prevent the forfeiture of a policy. On appeal it was held that this was error.

Position of Higher Court

The higher court declared that when a company has in its hands sufficient funds of the assured to pay a premium when due, it becomes the duty of the company to apply that so as to prevent

a forfeiture. Within the grace period of the policy the insured placed in the hands of the company funds more than sufficient to pay the quarterly premium. When the assured forwarded his check for \$30.17 he clearly indicated his intention not to lapse the policy. When the last day of grace arrived the court declared it became the duty of the company to apply part of the fund which the assured had sent to the payment of the quarterly premium so as to prevent a forfeiture and lapse. The company chose a different course. The court held that since the company had the right and authority to make such application out of the funds placed in its hands, it became its duty to do so as to prevent a forfeiture. Judgment for the company was reversed.

* * *

DOUBLE INDEMNITY CASE

An interesting double indemnity case comes up before the United States circuit court of appeals, 4th circuit, Maryland in Norris vs. New York Life. In this case a brother of the deceased, Walter, got into an altercation with one of the latter's employes and the brother pointed a pistol at the employe. The insured approached his brother and tried to pacify him. The brother had been drinking. The two brothers went into the house. After they got inside in some way the pistol was fired and J. Norris, the assured, was killed. The question in the case is whether it was an accident. The federal court states that the rule governing this class of cases is correctly stated to be that the cause is accidental if the assured in doing what he did should not have foreseen the danger of being injured. That which cannot reasonably be expected to follow as the result of an act is accidental. In other words, an assured may voluntarily assume the risk of that which it is not apparent or should not be apparent to him, acting as a reasonable man, would result in injury or death. Certainly the court says a reasonable man may not anticipate or foresee that his brother would shoot him. The court held that when his brother did shoot and kill him it was within the meaning of the law an accidental case. Judgment for the company is reversed.

National Old Line Ready Soon

The National Old Line of Nebraska, formerly the National Automobile, will shortly enter production, President Rees Wilkinson announces. Mr. Wilkinson recently became interested in the Lloyds Life of Kansas City and has been elected a director.

Oklahoma Life's Progress

The Oklahoma Life of Oklahoma City has written new business of \$1,500,000 since Jan. 1 and now has about \$4,500,000 in force. The company was bought and reorganized in 1927 by N. B. Smith, president. J. C. Smith is active vice-president and director of agencies.

Prospects for the Summer

The Manufacturers Life makes the following suggestions to agents as to good prospects to see during the summer months:

PARKS AND GARDENS

Summer Parks (gardeners, attendants, etc.)
Golf Courses (professionals, etc.)
Recreation Centers.
Swimming Pools.
Landscape Gardeners.
Market Gardeners.
Seed and Flower Business.

* * *

RETAILERS

Automobile Dealers.
Retailers of Tires and Accessories.
Manufacturers of Sporting Goods.
Retailers of Tennis and Golf Equipment.
Haberdashers and Retailers of Sport Clothes.
Canners and Dyers.

Public Utilities (Phone, Gas and Electric).
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IN INDUSTRY

Awning Manufacturers.
Sand and Concrete Business.
Road Builders.
Makers of Summer Furniture.

Hardware Stores Selling Screens, etc.
Cement Manufacturers.
House Painters and Decorators.

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REFRESHMENTS, ETC.

Ice Cream Manufacturers.
Ice Cream Retailers.
Beverage Manufacturers.
Refreshment Booths.
Artificial Ice Dealers.
Electric Refrigerator Salesmen.
Confectionery Manufacturers.

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TRAVEL, ETC.

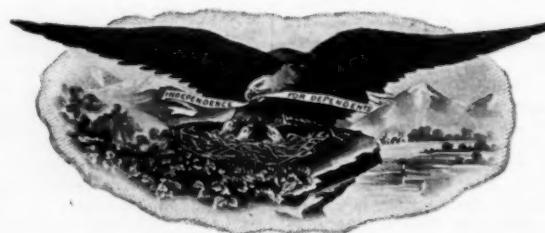
Steamship and Tourist Agencies.
Bus and Sightseeing Lines.
Gasoline and Oil Stations.
Summer Hotels.
Tourists' Camps.
Restaurants and Tea Rooms.
Fruit Merchants.

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LOCAL MERCHANTS

Drug Stores and Chemists.
Laundries.
Tobacconists.
Real Estate Dealers.
Bake Shops.
News Stands and Books Shops.
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